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CHRONOLOGICAL LEGISLATIVE
HISTORY OF
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Federal Surplus Commodities Corporation Continued Until June 30, 1945
(P.L. 634 - 77th Cong. June 27, 1942, 56 Stat. 461)

The Federal Surplus Commodities Corporation was chartered by the State of Delaware on October 4, 1933, without specific authority of any Federal statute (19 Comp. Gen. 537, 541). Express acknowledgement of its status as an agency of the United States was first shown by the Congress in the act of June 28, 1937 (50 Stat. 323; 15 U.S.C. 713c), which continued the Corporation as an agency under the Secretary of Agriculture.

The Corporation was created as an essential part of the Government's program for relieving the national economic emergency of the early 1930's. During the 11 years of its active life, the Corporation engaged in the distribution of surplus food commodities through school lunch programs.

Section 32 Funds for School Lunch & Milk Programs, F.Y. 1944
(P.L. 129 - 78th Cong. July 12, 1943, 57 Stat. 392)

This legislation, which authorized the appropriation for the Department of Agriculture for 1944, for the first time authorized a specific amount of Section 32 funds for the operation of the school lunch and school milk program. It also provided that such activities could be carried out without regard to the existence of a surplus condition.

To enable the Secretary of Agriculture to further carry out the provisions of Section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935, and subject to all provisions of law relating to the expenditure of funds appropriated by such section, during the fiscal year ending June 30, 1944, funds appropriated by or for the purposes of Section 32 of said Act shall be available to the Secretary of Agriculture for the maintenance and operation of a school milk and lunch program under clause (2) of said Section 32 in a sum not exceeding \$50,000,000: Provided, That such funds shall be available for such purposes during the fiscal year 1944 without regard to the requirement therein relating to the encouragement of domestic consumption but no part of such funds shall be available to defray the expenses of any activity heretofore carried on by the Works Projects Administration.

Section 32 Funds for School Lunch & Child Care Programs, F.Y. 1945
(P.L. 367 - 78 Cong. June 28, 1944, 58 Stat. 452)

The 1945 fiscal year appropriation for the Department of Agriculture under the appropriation item "Exportation and Domestic Consumption of Agricultural Commodities" provided the program authority and funds for carrying out the School Lunch Program for 1945. The legislation for the first time provided detailed requirements as to the conditions under which Federal assistance was to be provided.

"Not exceeding \$50,000,000 of the funds appropriated by and pursuant to this section may also be used during the fiscal year ending June 30, 1945, to provide food for consumption by children in nonprofit schools of high school grade or under and for child-care centers through (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: Provided, That funds appropriated for the purposes of this program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment and need, as determined by the Secretary, except that if program participation in any State does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States in consideration of need, as he may determine: Provided further, That benefits under this section to schools or child-care centers shall in no case exceed the cost of the agricultural commodities or products thereof delivered to the school or child-care center as established by certificates executed by the authorized representative of the sponsoring agency: Provided further, That such sponsoring agency shall maintain accounts and records clearly establishing costs of agricultural commodities or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: Provided further, That these funds may be used for, or to make payments in connection with the purchase of such agricultural commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses without regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25 per centum limitation contained in this section: Provided further, That not more than 2 per centum of the funds made available under this amendment shall be used to provide food for children in child-care centers. The amount of funds used in any State during any fiscal year under this paragraph shall not exceed the total amount of funds furnished for the same purpose by or on behalf of the State and local school authorities and other sponsoring agencies in such State plus the value of donated services and supplies, as certified by the State, local school authorities, child-care centers or agencies having control thereof."

Section 32 Funds for School Lunch & Child-care Programs, F.Y. 1946
(P.L. 52 - 79th Cong. May 5, 1945, 59 Stat. 157)

The Agriculture Appropriation Act, F.Y. 1946, approved the use of Section 32 funds for the continuance during the fiscal year 1946 of the School Lunch Program. The Committee stated in reporting this legislation - "This is the same amount, from the same source, as the program for the current fiscal year under substantially the same conditions. Many of the commodities included in the school lunch program are no longer in surplus and for that reason are not authorized for inclusion in the general program carried on under the permanent appropriation. This has resulted in the inclusion of a specific provision in the bill authorizing the use of these moneys for the school lunch program. However, there are still some surpluses for which the school lunch program constitutes an outlet. These surpluses may be of temporary character, yet while they exist they constitute serious problems in maintaining a well balanced market for the output of the American farm. The school lunch program, therefore, is of double utility and one which apparently commands the favor of a very substantial majority of Members of both Houses of Congress".

"Not exceeding \$50,000,000 of the funds appropriated by and pursuant to section 32 as amended, of the Act of August 24, 1935 (7 U.S.C. 612c), may also be used during the current fiscal year to provide food for consumption by children in nonprofit schools of high school grade or under and for child-care centers through (a) the purchase, processing, and exchange, and the distribution of agricultural commodities and products thereof; or (b) the making of payments to such schools and centers or agencies having control thereof in connection with the purchase and distribution of agricultural commodities in fresh or processed form and, when desirable, for the processing and exchange of such commodities and their products; or (c) by such other means as the Secretary may determine: Provided, That funds made available hereunder for a school lunch program shall be apportioned for expenditure in the States, Territories, possessions, and the District of Columbia in accordance with school enrollment and need, as determined by the Secretary, except that if program participation in any State, Territory, possession, or the District of Columbia does not require all funds so apportioned, the Secretary may reapportion such excess funds to such other States, Territories, possessions, or the District of Columbia in consideration of need, as he may determine: Provided further, That benefits under (b) of this paragraph to schools or child-care centers or other sponsoring agencies shall in no case exceed the cost of the agricultural commodities or products thereof purchased by the school or child-care center or other sponsoring agencies as established by certificates executed by the authorized representative of the sponsoring agency: Provided further, That such sponsoring agency shall maintain accounts and records clearly establishing cost of agricultural or products furnished in the program and that such accounts and records shall be available for audit by representatives of the Department of Agriculture: Provided further, That these funds may be used for, or to make payments in connection with, the purchase of such agricultural

commodities and for exchanging, distributing, disposing, transporting, storing, processing, inspection, commission, and other incidental costs and expenses with regard to the provisions of section 3709 of the Revised Statutes and without regard to the 25 per centum limitation contained in said section 32: Provided further, That not more than 2 per centum of the funds made available hereunder for a school lunch program shall be used to provide food for children in child-care centers. The amount of funds available hereunder for a school lunch program used in any State, Territory, possession or the District of Columbia during any fiscal year shall not exceed the total amount otherwise furnished for the same purpose by or on behalf of the school authorities and other sponsoring agencies in such State, Territory, possession, or District of Columbia including the value of donated services and supplies, as certified by the respective schools, care centers, or agencies having control thereof".

Additional Section 32 Funds for School Lunch, F.Y. 1946
(P.L. 269 - 79th Cong. Dec. 28, 1945, 59 Stat. 645)

The limitation of \$50,000,000 for the objects and for the purposes of the item "School Lunch Program" contained in the Department of Agriculture Appropriation Act, 1946, is increased by \$7,500,000.

National School Lunch Act
(P.L. 396 - 79th Congress, June 4, 1946, 60 Stat. 231)

This is the basic authority for the national school lunch program and provides for assistance to the States in the establishment, maintenance, operation, and expansion of school lunch programs and for other purposes. The Report from the House Committee on Agriculture stated in part as follows:

The national school lunch bill provides basic, comprehensive legislation for aid, in general, to the States in the operation of school lunch programs as permanent and integral parts of their school systems, and thus supersedes the prevailing arrangement of a temporary year-to-year program based only upon authority contained in annual appropriations therefore for the Department of Agriculture. Such aid, heretofore extended by Congress through the Department of Agriculture has, for the past 10 years, proven of exceptional benefit to the children, schools, and agriculture of the country as a whole, but the necessity for now coordinating the work throughout the Nation, and especially to encourage and increase the financial participation and active control by the several States makes it desirable that permanent enabling legislation take the place of the present temporary legislative structure.

It appears to this committee that the bill will effectively advance two desirable objectives: The improvement of the health and well-being of the Nation's youth, and the assurance, both immediately and in the period of postwar reconversion, of a substantial market for agricultural production. In this latter objective the committee has in mind not only the maintenance of the present high level of production but the important consideration of a ready and socially desirable means of disposing of irregularly occurring commodity surpluses, a characteristic of agricultural production, which, if left uncontrolled on the market, disrupt the market and seriously injure the ordinary economic processes of pricing and distribution.

The experience of the Department of Agriculture in operating school lunch programs provides a basis for judging the utility of the proposed legislation in accomplishing these objectives. As to the aspect of children's welfare all surveys point to the need for better nutrition for the Nation's children, and the effective manner in which the school lunch program meets this need. Statistical surveys, including physical and mental tests conducted under controlled conditions, have shown, as indicated in appendix A, measurable benefit to the children when an adequate lunch is provided at school, not only in their physical development but in their educational progress. This improvement takes place on all income levels inasmuch as an adequate lunch at school or adequate nutrition is not necessarily assured by the higher income of the parents or the rise in the national income as a whole. The increase of working mothers, consolidation of schools, greater travel time to schools, and rising scale of food costs, together with fixed incomes for many large groups, make the school lunch program, in which those who can pay are permitted to pay and those who cannot pay need not pay, the appropriate answer. It should be remembered that a child may be malnourished yet not hungry.

The correlation between poor diet in childhood and rejections in the draft was strikingly demonstrated by the facts adduced by the Surgeon General of the United States which showed that 70 percent of the boys who had poor nutrition 10 to 12 years ago were rejected by the Selective Service.

The educational features of a properly chosen diet served at school should not be underemphasized. Not only is the child taught what a good diet consists of, but his parents and family likewise are indirectly instructed. This also has a direct connection with the second objective of the legislation for the inculcation of good habits in the youth of the Nation: must soon show up in the Nation's food consumption and the American farmer cannot help but benefit. A relatively small expenditure made in this fashion, in connection with an educational program, will be reflected in greater agricultural consumption.

The need for a permanent legislative basis for a school lunch program, rather than operating it on a year-to-year basis, or one dependent solely on agricultural surpluses that for a child may be nutritionally unbalanced or nutritionally unattractive, has now become apparent. The expansion of the program has been hampered by lack of basic legislation. If there is an assurance of continuity over a period of years, the encouragement of State contribution and participation in the school lunch program will be of great advantage in expanding the program.

With respect to the second objective of the legislation, the Federal Government has always had an active interest in providing markets for agricultural production and for maintaining agricultural production at a high level. Any measure that will expand the domestic consumption of agricultural production, both immediately and in the future, and assure a larger share of the national income to farmers, should receive support. With an established school lunch program, a means of disposal of surplus products is likewise available. It has been demonstrated time and again that price-destroying surpluses, even though of relatively small amount compared with the total production, must be disposed of if a fair price is to be maintained for the farmer.

THE NATIONAL SCHOOL LUNCH ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch Act".

DECLARATION OF POLICY

Sec. 2. It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school lunch programs.

APPROPRIATIONS AUTHORIZED

Sec. 3. For each fiscal year, beginning with the fiscal year ending June 30, 1947, there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (Hereinafter referred to as "the Secretary") to carry out the provisions of this Act.

APPORTIONMENTS TO STATES

Sec. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying, during each fiscal year, agricultural commodities and other foods for the school lunch program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the aforesaid funds made available for such year for supplying agricultural commodities and other foods under the provisions of this Act, except that the total of such apportionments of funds for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands shall not exceed 3 per centum of the funds appropriated for agricultural commodities and other foods for the school lunch program. Apportionment among the States shall be made on the basis of two factors: (1) The number of school children in the State and (2) the need for assistance in the State as indicated by the relation of the per capita income in the United States to the per capita income of the State. The amount of the initial apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States; and finally, apply the figure thus obtained to the total funds to be apportioned. For the purpose of this section, the number of school children in the State shall be the number of children therein between the ages of five and seventeen, inclusive; such figures and per capita income figures shall be the latest figures certified by the Department of Commerce. For the purposes of this Act, "school" means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico. If any State cannot utilize all funds so apportioned to it, or if additional

funds are available under this Act for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner.

Sec. 5. Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, \$10,000,000 shall be available to the Secretary for the purpose of providing, during such fiscal year nonfood assistance for the school lunch program pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of \$10,000,000, and such apportionment among the States shall be on the basis of the factors, and in accordance with the standards, set forth in section 4 with respect to the apportionment for agricultural commodities and other food. The total of such funds apportioned for nonfood assistance for use in Alaska, Territory of Hawaii, Puerto Rico, and the Virgin Islands shall not exceed 3 per centum of the funds appropriated for nonfood assistance in accordance with the provisions of the Act.

DIRECT FEDERAL EXPENDITURES

Sec. 6. The funds appropriated for any fiscal year for carrying out the provisions of this Act, less not to exceed $3\frac{1}{2}$ per centum thereof hereby made available to the Secretary for his administrative expenses and less the amount apportioned by him pursuant to sections 4, 5, and 10, shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools participating in the school lunch program under this Act in accordance with the needs as determined by the local school authorities. The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act.

PAYMENTS TO STATES

Sec. 7. Funds apportioned to any State pursuant to section 4 or 5 during any fiscal year shall be available for payment to such State for disbursement by the State educational agency, in accordance with such agreements not inconsistent with the provisions of this Act, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistance in furtherance of the school lunch program authorized under this Act. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by \$1 from sources within the State determined by the Secretary to have been expended in connection with the school lunch program under this Act. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars; and for any fiscal year

thereafter, such payments shall be made upon condition that each dollar will be so matched by \$3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land, of the acquisition, construction, or alteration of buildings, of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school lunch program. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE DISBURSEMENT TO SCHOOLS

Sec. 8. Funds paid to any State during any fiscal year pursuant to section 4 or 5 shall be disbursed by the State educational agency, in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school lunch program. Such disbursement to any school shall be made only for the purpose of reimbursing it for the cost of obtaining agricultural commodities and other foods for consumption by children in the school lunch program and nonfood assistance in connection with such program. Such food costs may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, or handling thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school lunch program under this Act during such year by the maximum Federal food-cost contribution rate for the State, for the type of lunch served, as prescribed by the Secretary.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

Sec. 9. Lunches served by schools participating in the school lunch program under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children who are determined by local school authorities to be unable to pay the full cost of the lunch. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay. School lunch programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or commodities donated by the Secretary. Commodities

purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school lunch program under this Act as well as to other schools carrying out nonprofit school lunch programs and institutions authorized to receive such commodities.

Sec. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act the same proportion of the funds as the number of children between the ages of five and seventeen, inclusive, attending nonprofit private schools within the State is of the total number of persons of those ages within the State attending school. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirements that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

Sec. 11. (a) States, State educational agencies, and schools participating in the school lunch program under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this Act are being complied with. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(b) The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act with respect to the operation of the school lunch program under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purposes of this Act.

(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school. If a State maintains separate schools for minority and for majority races, no funds made available pursuant to this Act shall be paid or disbursed to it unless a just and equitable distribution is made within the State, for the benefit of such minority races, of funds paid to it under this Act.

(d) For the purposes of this Act --

(1) "State" includes any of the forty-eight States and the District of Columbia, Territory of Hawaii, Puerto Rico, Alaska, and the Virgin Islands.

(2) "State educational agency" means, as the State legislature may determine, (a) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (b) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education, and except that for the period ending June 30, 1948, "State educational agency" may mean any agency or agencies within the State designated by the Governor to carry out the functions herein required of a State educational agency.

(3) "Nonprofit private school" means any private school exempt from income tax under section 101 (6) of the Internal Revenue Code, as amended.

(4) "Nonfood assistance" means equipment used on school premises in storing, preparing, or serving food for school children.

Section 32 Funds for Disposal of Surpluses, School Lunch & ACP
Payments, F.Y. 1947

(P.L. 422 - 79th Cong. June 22, 1946, 60 Stat. 289)

This authority provided for reappropriation of F.Y. 1944, 1945 and 1946 unobligated balances for Section 32 funds; \$42,500,000 to Conservation and Use (ACP payments); \$75,000,000 for purposes of National School Lunch Act.

To enable the Secretary to further carry out the provisions of section 32, as amended, of the Act entitled "An Act to amend the Agricultural Adjustment Act, and for other purposes", approved August 24, 1935 (7 U.S.C. 612c), and subject to all provisions of law relating to the expenditure of funds appropriated by such section 32, there is hereby reappropriated for the fiscal year 1947 the unobligated balances of the funds made available for the purposes of such section 32 for the fiscal years 1944, 1945 and 1946, less \$42,500,000, which is appropriated herein for "Conservation and use of agricultural land resources". Such sums shall be in addition to, and not in substitution for, other appropriations made by or for the purposes of such section 32: Provided, That not exceeding \$75,000,000 of the funds appropriated by and pursuant to such section 32 may also be used during the fiscal year 1947, without regard to the 25 per centum limitation contained in said section 32 to carry out the purposes and provisions of the National School Lunch Act, approved June 4, 1946 (Public Law 396), such amount to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act.

Section 32 Funds for Disposal of Surpluses, & School Lunch, F.Y. 1948
(P.L. 266 - 80th Cong. June 30, 1947, 61 Stat. 550-1)

Under the Agriculture Appropriation Act, F.Y. 1948 \$44,000,000 of permanent appropriation was made available for 1948 Section 32 purposes; \$65,000,000 transferred to School Lunch Program; balance (\$40,023,930) returned to Treasury. The House Appropriations Committee report, fiscal year 1948 stated the following relative to the use of Section 32 funds - "This fund is intended to provide relief in emergent periods when a surplus problem exists".

Notwithstanding any other provision of section 32, Public Law Number 320, Seventy-fourth Congress, approved August 24, 1935, as amended (7 U.S.C., 1940 edition, 612c), not more than \$44,000,000 shall be available during the fiscal year ending June 30, 1948, for use in effectuating the purposes of that Act. To enable the Secretary to carry out the provisions of the National School Lunch Act of June 4, 1946 (Public Law 396), there is hereby made available \$65,000,000 of the funds appropriated for the fiscal year 1948 by section 32 of the Act approved August 24, 1935 (7 U.S.C. 612c), such amount to be without regard to the 25 per centum limitation contained in said section 32, and to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act: Provided, That no part of such funds shall be used for nonfood assistance under section 5 of said Act. The remainder of the fund appropriated by said Act for the fiscal year 1948 is hereby rescinded effective July 1, 1947, and shall be carried to the surplus fund and covered into the Treasury immediately thereafter.

Section 32 Funds for School Lunch - FY 1949
(P.L. 712 - 80th Cong. June 19, 1948, 62 Stat. 526-7)

To enable the Secretary to carry out the provisions of the National School Lunch Act of June 4, 1946 (Public Law 396), there is hereby made available \$75,000,000 of the funds appropriated for the fiscal year 1949 by section 32 of the Act approved August 24, 1935 (7 U.S.C. 612c), such amount to be without regard to the 25 per centum limitation contained in said section 32, and to be exclusive of funds expended in accordance with the last sentence of section 9 of the National School Lunch Act: Provided, That no part of such funds shall be used for non-food assistance under section 5 of said Act.

Agricultural Act of 1949 - CCC Services & Facilities
Use For Section 6 Programs
(P.L. 439 - 81st Cong. Oct. 31, 1949, 63 Stat. 1054)

Sec. 404. The Secretary, in carrying out programs under section 32 of Public Law Number 320, 74th Congress, approved August 24, 1935, as amended, and section 6 of the National School Lunch Act may utilize the services and facilities of the Commodity Credit Corporation (including but not limited to procurement by contract), and make advance payments to it.

National School Lunch Act amended with respect to the apportionment of funds to Hawaii, Alaska, Puerto Rico, Guam and the Virgin Islands
(P.L. 518 - 82nd Congress, July 12, 1952, 66 Stat. 591)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the second sentence of section 4 of the National School Lunch Act (42 U.S.C., sec. 1753) is amended to read as follows: "The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the aforesaid funds made available for such year for supplying agricultural commodities and other foods under the provisions of this Act. The total of such apportionment of funds for use in Puerto Rico, Guam, and the Virgin Islands shall not exceed 3 per centum of the funds appropriated for agricultural commodities and other foods for the school lunch program; except that in the case of the first apportionments of funds from any annual or supplemental appropriation (and only in such case), the apportionment for Puerto Rico, the apportionment for Guam, and the apportionment for the Virgin Islands, shall be not less than that amount which will result in an allotment per child of school age equal to the allotment per child of school age in the State (other than Puerto Rico, Guam, and the Virgin Islands) having the lowest per capita income among the States participating in such first apportionments."

(b) The last sentence of section 5 of such Act (42 U.S.C., sec. 1754) is amended to read as follows: "Apportionments of funds for use in Puerto Rico, Guam, and the Virgin Islands for nonfood assistance shall be determined subject to the provisions of the third sentence of section 4."

(c) Section 11 (d) (1) of the National School Lunch Act (42 U.S.C., sec. 1760 (d) (1) is amended to read as follows:

"(1) 'State' includes any of the forty-eight States, the District of Columbia, Hawaii, Alaska, Puerto Rico, Guam, and the Virgin Islands."

(d) The amendments made by this Act shall be effective only with respect to sums appropriated after the date on which this Act is enacted.

Section 32 Funds for School Lunch Commodity Procurement
Fiscal Year 1959

(P.L. 85-459 June 13, 1958, 60 Stat. 230; 72 Stat. 194)

The House Committee Report includes the following: . . . The Committee feels very strongly that everything possible must be done to encourage the use of Section 32 funds to support prices of perishable products. It also feels that Section 32 must be utilized as fully as possible to provide support for the school lunch program. This is especially necessary in view of the fact that it has not been possible for Federal appropriations to keep pace with the growth in the number of school children participating in the program and the rise in food costs...

School Lunch Program

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$110,000,000; Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$35,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, such additional funds to be used for the general purposes of section 32.

Section 32 Funds for School Lunch Commodity Procurement

Fiscal Year 1960

(P.L. 86-80, July 8, 1959, 60 Stat. 230; 73 Stat. 173)

The House Committee included language providing that the estimated unexpended balance of Section 32 funds for 1959 of \$43,657,248 be distributed to the schools to be used for the purchase of necessary food items.

The Senate Committee recommended the deletion of the House provision and inserted language transferring \$43,657,248 available under Section 32 to section 6, using the language carried in the 1959 Appropriation Act.

The Conference Committee Report stated "The managers on the part of the House intend to move to recede and concur with the Senate language with the elimination of the phrase 'such additional funds to be used for the general purposes of section 32'.

The conferees direct that the full amount of these transferred funds be used to purchase foods necessary to provide balanced diets for the school children. In making such purchases, attention should be given to the needs of the schools for red meats and other high protein foods. As far as possible, foods in surplus supply should be given priority. The necessary foods should be supplied from these funds, however, regardless of whether or not they are determined by the Secretary to be in surplus supply."

School Lunch Program

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$110,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$43,657,248 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

Extension and Amendment of Public Law 480
(P.L. 86-341, Sept. 21, 1959, 68 Stat. 454, 73 Stat. 610)

This Act provides for the enrichment of cornmeal, corn grits, and flour and for packaging in suitable containers.

Sec. 201. (a) In order to insure the nutritional value of cornmeal, grits, and white flour when such foods are made available for distribution under section 416(3) of the Agricultural Act of 1949 or for distribution to schools under the National School Lunch Act or any other Act, such foods shall be enriched to as to meet the standards for enriched cornmeal, enriched corn grits, or enriched flour, as the case may be, prescribed in regulations promulgated under the Federal Food, Drug, and Cosmetic Act; and in order to protect the nutritional value and sanitary quality of such enriched foods during transportation and storage such foods shall be packaged in sanitary containers. For convenience and ease in handling, the weight of any sanitary container when filled shall not exceed fifty pounds.

(b) The term "sanitary container" means any container of such material and construction as (1) will not permit the infiltration of foreign matter into the contents of such container under ordinary conditions of shipping and handling, and (2) will not, for a period of at least one year, disintegrate so as to contaminate the contents of the container, necessitating the washing of the contents prior to use.

Section 32 Funds for School Lunch Commodity Procurement
Fiscal Year 1961
(P.L. 86-532, June 29, 1960, 60 Stat. 230; 74 Stat. 173)

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$110,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

Section 32 Funds for School Lunch Commodity Procurement
Fiscal Year 1962

(P.L. 87-112, July 26, 1961, 60 Stat. 230; 75 Stat. 231)

The administration proposed an increase of \$10,000,000 over the 1961 availability to provide special assistance to needy schools in serving free meals to children unable to pay.

The House Committee approved the administration proposal and recommended an additional \$5,000,000 to be distributed to all States in the usual manner.

The Senate Committee agreed to the \$15,000,000 increase but recommended that all of it be distributed under the regular formula.

The Conference Committee report stated... "The managers on the part of the House intend to offer a motion to earmark an additional \$10 million for commodity purchases under section 6 of the School Lunch Act, \$2,500,000 of which may be used to furnish special assistance where essential to provide a school lunch program. Since this is an experimental project, the Committees on Appropriations of the two Houses should be kept currently advised of developments in the program."

SCHOOL LUNCH PROGRAM

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$125,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act: Provided further, That \$10,000,000 of this appropriation shall be available for assistance under section 6 of the National School Lunch Act, in addition to amounts normally expended for commodity procurement under that section, \$2,500,000 of which may be distributed to provide special assistance to needy schools which because of poor local economic conditions (1) have not been operating a school lunch program or (2) have been serving free or at substantially reduced prices at least 20 percent of the lunches to the children.

National School Lunch Week

(P.L. 87-780 - 87th Congress, October 9, 1962, 76 Stat. 779)

Joint Resolution

Providing for the establishment of an annual National School Lunch Week.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the seven-day period beginning on the second Sunday of October in each year is hereby designated as National School Lunch Week, and the President is requested to issue annually a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

Rice Enrichment and Packaging

(P.L. 87-803, 87th Congress, October 11, 1962, 76 Stat. 910)

To provide for the nutritional enrichment and sanitary packaging of rice prior to its distribution under certain Federal programs, including the national school lunch program.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 201(a) of the Act of September 21, 1959 (73 Stat. 606, 610), is amended (1) by striking out "cornmeal, grits, and white flour" and inserting in lieu thereof "cornmeal, grits, rice, and white flour", (2) by inserting "enriched rice," immediately after "enriched corn grits," (3) by adding after the word "pounds" in the last sentence thereof the following phrase "unless a larger container is requested by the recipient agency" and (4) by adding at the end thereof the following new sentence: "Nothing in this section shall prohibit the distribution of fortified parboiled rice which is substantially equal in nutritional value to that of enriched rice."

Extension and Amendment of Public Law 480
(P.L. 87-803, October 11, 1962, 68 Stat. 454, 73 Stat. 610, 76 Stat. 910)

This Act provides for the enrichment of cornmeal, corn grits, rice, and flour and for packaging in suitable containers.

Sec. 201. (a) In order to insure the nutritional value of cornmeal, grits, rice, and white flour when such foods are made available for distribution under section 416(3) of the Agricultural Act of 1949 or for distribution to schools under the National School Lunch Act or any other Act, such foods shall be enriched so as to meet the standards for enriched cornmeal, enriched corn grits, enriched rice, or enriched flour, as the case may be, prescribed in regulations promulgated under the Federal Food, Drug, and Cosmetic Act; and in order to protect the nutritional value and sanitary quality of such enriched foods during transportation and storage such foods shall be packaged in sanitary containers. For convenience and ease in handling, the weight of any sanitary container when filled shall not exceed fifty pounds, unless a larger container is requested by the recipient agency. Nothing in this section shall prohibit the distribution of fortified parboiled rice which is substantially equal in nutritional value to that of enriched rice.

(b) The term "sanitary container" means any container of such material and construction as (1) will not permit the infiltration of foreign matter into the contents of such container under ordinary conditions of shipping and handling, and (2) will not, for a period of at least one year, disintegrate so as to contaminate the contents of the containers, necessitating the washing of the contents prior to use.

National School Lunch Act Amendment
(P.L. 87-823, 87th Congress, October 15, 1962, 76 Stat. 944)

To revise the formula for apportioning cash assistance funds among the States under the National School Lunch Act, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the National School Lunch Act is amended to read as follows:

APPROPRIATIONS AUTHORIZED

"Sec. 3. For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as the 'Secretary') to carry out the provisions of this Act, other than section 11."

"Sec. 2. Section 4 of the National School Lunch Act is amended to read as follows:

APPORTIONMENTS TO STATES

"Sec. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other foods for the program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the funds made available for such year for supplying agricultural commodities and other foods under the provisions of section 3 of this Act. Apportionment among the States shall be made on the basis of two factors: (1) the participation rate for the State, and (2) the assistance need rate for the State. The amount of apportionment to any State shall be determined by the following method. First determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States (exclusive of American Samoa for periods ending before July 1, 1967); and third, apply the figure thus obtained to the total funds to be apportioned. If any State cannot utilize all funds so apportioned to it, or if additional funds are made available under section 3 for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner. Notwithstanding the foregoing provisions of this section, (1) for the fiscal year beginning July 1, 1962, three-quarters of any funds available for apportionment among the States shall be apportioned in the manner used prior to such fiscal year, and one-quarter of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (2) for the fiscal year beginning July 1, 1963, one-half of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and one-half of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (3) for the fiscal year beginning July 1, 1964, one-quarter of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and three-quarters of any such funds shall be apportioned in accordance with the foregoing sentences of this section and (4) for the five fiscal years in the period beginning July 1, 1962, and ending June 30, 1967, the amount apportioned to American Samoa shall be \$25,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States."

"Sec. 3. (a) Section 5 of the National School Lunch Act is amended by striking out the last sentence thereof.

(b) Section 6 of the National School Lunch Act is amended by striking out "and less the amount apportioned to him pursuant to sections 4, 5, and 10" and inserting in lieu thereof the following: ", less the amount apportioned by him pursuant to sections 4, 5, and 10, and less the amount appropriated pursuant to section 11."

"Sec. 4. Section 10 of the National School Lunch Act is amended by striking out "the same proportion of the funds as the number of children between the ages of 5 and 17, inclusive, attending nonprofit private schools within the State, is of the total number of persons of those ages within the State attending school" and inserting in lieu thereof the following: "an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State."

"Sec. 5. Section 11 of the National School Lunch Act is redesignated as section 12 and subsections (c) and (d) thereof are amended to read as follows:

"(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

"(d) For the purposes of this Act--

"(1) 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

"(2) 'State educational agency' means, as the State legislature may determine, (A) the chief school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

"(3) 'Nonprofit private school' means any private school exempt from income tax under section 501 (c) (3) of the Internal Revenue Code of 1954.

"(4) 'Nonfood assistance' means equipment used by schools in storing, preparing, or serving food for school children.

"(5) 'Participation rate' for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by schools participating in the program under this Act in the State, as determined by the Secretary.

"(6) 'Assistance need rate' (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average per capita income less than the average annual per capita income for all the States, shall be the product of 5 and the quotient obtained by dividing the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the

Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967.

"(7) 'School' means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico."

"Sec. 6. The National School Lunch Act is further amended by inserting immediately after section 10 thereof the following new section:

SPECIAL ASSISTANCE

"Sec. 11. (a) There is hereby authorized to be appropriated \$10,000,000 for the fiscal year ending June 30, 1963, and such sums as may be necessary for each succeeding fiscal year to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirement of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

"(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to the total of such funds as the number of free or reduced-price lunches served in accordance with section 9 of this Act in such State in the preceding fiscal year bears to the total number of such free or reduced-price lunches served in all such States in the preceding fiscal year: Provided, That for the fiscal year ending June 30, 1963, \$5,000 shall be apportioned to American Samoa, which amount shall be first deducted from the total amount available for apportionment under this subsection. If any such State cannot utilize for the purposes of this section all of the funds apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such States which justify the need for additional funds for such purposes.

"(c) Of the remaining sums appropriated pursuant to this section for any fiscal year, not less than 50 per centum shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa, on the basis of the following factors for each State: (1) the number of free or reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year, and (2) the assistance need rate. These factors shall be applied in the following manner: First, determine an index for each State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all such States; and, third, apply the figure thus obtained to the total funds to be apportioned. Any funds so initially apportioned which cannot be used for the purpose of this section by the State to which apportioned, together with the remainder of the funds available under this subsection, shall be further apportioned by the Secretary on the same basis as the initial apportionment to such States which justify on the basis of operating experience the need for additional funds to meet the need of students in such States for free or reduced-price lunches in schools deemed eligible by their State educational agencies for special assistance in accordance with the factors set forth in subsection (c) of this section.

"(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of the Act.

"(e) Funds paid to any State during any fiscal year pursuant to this section shall be disbursed to selected schools in such State to assist such schools in the purchase of agricultural commodities and other foods. The selection of schools and the amounts of funds that each shall from time to time receive (within a maximum per lunch amount established by the Secretary for all the States) shall be determined by the State educational agency on the basis of the following factors: (1) The economic condition of the area from which such schools draw attendance; (2) the needs of pupils in such schools for free or reduced-price lunches; (3) the percentages of free and reduced-price lunches being served in such schools to their pupils; (4) the prevailing price of lunches in such schools as compared with the average prevailing price of lunches served in the State under this Act; and (5) the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

"(f) If in any State the State educational agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsections (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free and reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year by all nonprofit private schools participating in the program under this Act in such State bears to the number of such free and reduced-price lunches served during such year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

"(g) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to sections 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section."

National School Lunch Act

(P.L. 396 - 79th Congress, June 4, 1946, as amended by P.L. 87-823, October 16, 1962, 76 Stat. 944)

An Act to provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch Act."

DECLARATION OF POLICY

Sec. 2 It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school lunch programs.

APPROPRIATIONS AUTHORIZED

Sec. 3. For each fiscal year, there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as the "Secretary") to carry out the provisions of this Act, other than section 11.

APPORTIONMENTS TO STATES

Sec. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other foods for the program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the funds made available for such year for supplying agricultural commodities and other foods under the provisions of section 3 of this Act. Apportionment among the States shall be made on the basis of two factors: (1) the participation rate for the State, and (2) the assistance need rate for the State. The amount of apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States (Exclusive of American Samoa for periods ending before July 1, 1967); and third, apply the figure thus obtained to the total funds to be apportioned. If any State cannot utilize all funds so apportioned to it, or if additional funds are made available under section 3 for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner. Notwithstanding the foregoing provisions of this section, (1) for the fiscal year beginning July 1, 1962, three-quarters of any funds available for apportionment among the States shall be apportioned in the manner used prior to such fiscal year, and one-quarter of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (2) for the fiscal year beginning July 1, 1963, one-half of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and one-half of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (3) for the fiscal year beginning July 1, 1964, one-quarter of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and three-quarters of any such funds shall be apportioned in accordance with the foregoing sentences of this section, and (4) for the five fiscal years in the period

beginning July 1, 1962, and ending June 30, 1967, the amount apportioned to American Samoa shall be \$25,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States.

NONFOOD ASSISTANCE

Sec. 5. Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, \$10,000,000 shall be available to the Secretary for the purpose of providing, during such fiscal year nonfood assistance for the school lunch program pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of \$10,000,000, and such apportionment among the States shall be on the basis of the factors, and in accordance with the standards, set forth in section 4 with respect to the apportionment for agricultural commodities and other foods.

DIRECT FEDERAL EXPENDITURES

Sec. 6. The funds appropriated for any fiscal year for carrying out the provisions of this Act, less not to exceed 3½ per centum thereof hereby made available to the Secretary for his administrative expenses, less the amount apportioned by him pursuant to sections 4, 5, and 10, and less the amount appropriated pursuant to section 11, shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools participating in the school lunch program under this Act in accordance with the needs as determined by the local school authorities. The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act.

Sec. 7. Funds apportioned to any State pursuant to section 4 or 5 during any fiscal year shall be available for payment to such State for disbursement by the State educational agency in accordance with such agreements not inconsistent with the provisions of this Act, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistance in furtherance of the school lunch program authorized under this Act. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by \$1 from sources within the State determined by the Secretary to have been expended in connection with the school lunch program under this Act. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars; and for any fiscal year thereafter, such payments shall be made upon conditions that each

dollar will be so matched by \$3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land of the acquisition, construction, or alteration of buildings of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school lunch program. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE DISBURSEMENT TO SCHOOLS

Sec. 8. Funds paid to any State during any fiscal year pursuant to section 4 or 5 shall be disbursed by the State educational agency, in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school lunch program. Such disbursement to any school shall be made only for the purpose of reimbursing it for the cost of obtaining agricultural commodities and other foods for consumption by children in the school lunch program and nonfood assistance in connection with such program. Such food costs may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, or handling thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school lunch program under this Act during such year by the maximum Federal food cost contribution rate for the State, for the type of lunch served, as prescribed by the Secretary.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

Sec. 9. Lunches served by schools participating in the school lunch program under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children who are determined by local school authorities to be unable to pay the full cost of the lunch. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay. School lunch programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance either nationally or in the school area, or commodities donated by the Secretary.

Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities for utilization in the school lunch program under this Act as well as to other schools carrying out nonprofit school lunch programs and institutions authorized to receive such commodities.

NONPROFIT PRIVATE SCHOOLS

Sec. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act, an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.

SPECIAL ASSISTANCE

Sec. 11. (a) There is hereby authorized to be appropriated \$10,000,000 for the fiscal year ending June 30, 1963, and such sums as may be necessary for each succeeding fiscal year to provide special assistance to schools drawing attendance from areas in which poor economic conditions exist, for the purpose of helping such schools to meet the requirement of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to the total of such funds as the number of free or reduced-price lunches served in accordance with section 9 of this Act in such State in the preceding fiscal year bears to the total number of such free or reduced-price lunches served in all such States in the preceding fiscal year: Provided, That for the fiscal year ending June 30, 1963, \$5,000 shall be apportioned to American Samoa, which amount shall be first deducted from the total amount available for apportionment under this subsection. If any such State cannot utilize for

the purposes of this section all of the funds apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such States which justify the need for additional funds for such purposes.

(c) Of the remaining sums appropriated pursuant to this section for any fiscal year, not less than 50 per centum shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa, on the basis of the following factors for each State: (1) the number of free or reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year and (2) the assistance need rate. These factors shall be applied in the following manner: First, determine an index for each State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all such States; and, third, apply the figure thus obtained to the total funds to be apportioned. Any funds so initially apportioned which cannot be used for the purposes of this section by the State to which apportioned together with the remainder of the funds available under this subsection, shall be further apportioned by the Secretary on the same basis as the initial apportionment to such States which justify on the basis of operating experience the need for additional funds to meet the need of students in such States for free or reduced-price lunches in schools deemed eligible by their State educational agencies for special assistance in accordance with the factors set forth in subsection (e) of this section.

(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of the Act.

(e) Funds paid to any State during any fiscal year pursuant to this section shall be disbursed to selected schools in such State to assist such schools in the purchase of agricultural commodities and other foods. The selection of schools and the amounts of funds that each shall from time to time receive (within maximum per lunch amounts established by the Secretary for all the States) shall be determined by the State educational agency on the basis of the following factors: (1) the economic condition of the area from which such schools draw attendance; (2) the needs of pupils in such schools for free or reduced-price lunches; (3) the percentages of free and reduced-price lunches being served in such schools to their pupils; (4) the prevailing price of lunches in such schools as compared with the average prevailing price of lunches served in the State under this Act; and (5) the need of such schools for additional assistance as reflected by the financial position of the school lunch programs in such schools.

(f) If in any State the State educational agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsections (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free and reduced-price lunches served in accordance with section 9 of this Act in the preceding fiscal year by all nonprofit private schools participating in the program under this Act in such State bears to the number of such free and reduced-price lunches served during such year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

(g) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to sections 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

Sec. 12. (a) States, State education agencies, and schools participating in the school lunch program under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this Act are being complied with. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(b) The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act with respect to the operation of the school lunch program under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purposes of this Act.

(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching, personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

(d) For the purposes of this Act --

(1) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(2) "State educational agency" means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

(3) "Nonprofit private school" means any private school exempt from income tax under section 501 (c) (3) of the Internal Revenue Code of 1954.

(4) "Nonfood assistance" means equipment used by schools in storing, preparing, or serving food for school children.

(5) "Participation rate" for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the preceding fiscal year by schools participating in the program under this Act in the State, as determined by the Secretary.

(6) "Assistance need rate" (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be product of 5 and the quotient obtained by dividing the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the

Department of Commerce; and (ii) the average annual per capita income of American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1962.

(7) "School" means any public or nonprofit private school of high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

Section 32 Funds for School Lunch Commodity Procurement, F.Y. 1963
(P.L. 87-879, October 24, 1962, 60 Stat. 230; 76 Stat. 1208)

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1962
(P.L. 87-879, 87th Congress, October 24, 1962, 76 Stat. 1208)

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760), \$125,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: **Provided further**, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1963
(P.L. 88-250, 88th Congress, December 30, 1963, 77 Stat. 826)

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U.S.C. 1751-1760). \$137,000,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act. **Provided further**, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1964
(P.L. 88-573, 88th Congress, September 2, 1964, 78 Stat. 868)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760), \$146,400,000: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: **Provided further**, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1966
(P.L. 89-136, 89th Congress, November 2, 1965, 79 Stat. 1171)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760), \$157,000,000 including \$2,000,000 for special assistance to needy schools, as authorized by law: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935, for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

Food and Agriculture Act of 1965
(P.L. 89-321, 89th Congress, November 3, 1965, 79 Stat. 1212)

Sec. 709. The Secretary of Agriculture is hereby authorized to use funds of the Commodity Credit Corporation to purchase sufficient supplies of dairy products at market prices to meet the requirements of any programs for the schools (other than fluid milk in the case of schools), domestic relief distribution, community action, foreign distribution, and such other programs as are authorized by law, when there are insufficient stocks of dairy products in the hands of Commodity Credit Corporation available for these purposes.

Child Nutrition Act of 1966
(P.L. 89-642, 89th Congress, October 11, 1966, 80 Stat. 885-890)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1966"

DECLARATION OF PURPOSE

Sec. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.

SPECIAL MILK PROGRAM AUTHORIZATION

Sec. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$110,000,000; for the fiscal year ending June 30, 1968, not to exceed \$115,000,000; and for each of the two succeeding fiscal years not to exceed \$120,000,000, to enable the Secretary of Agriculture under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section "United States" means the fifty States and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 85-478, as amended, during the fiscal year ended June 30, 1966.

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

Sec. 4. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$7,500,000; and for the fiscal year ending June 30, 1968, not to exceed \$10,000,000, to enable the Secretary to formulate and carry out, on a nonpartisan basis, a pilot program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit breakfast programs in schools.

APPORTIONMENT TO STATES

(b) Of the funds appropriated for the purposes of this section, the Secretary shall for each fiscal year, (1) apportion \$2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa, and \$45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended.

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency, to reimburse such schools for the cost of obtaining agricultural and other foods for consumption by needy children in a breakfast program and for the purpose of subsection (d). Such food costs may include, in addition to the purchase price, the cost of processing, distributing, transporting, storing, and handling. Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist and to those schools to which a substantial proportion of the children enrolled must travel long distances daily.

(d) In circumstances of severe need where the rate per meal established by the Secretary is deemed by him insufficient to carry on an effective breakfast program in a school, the Secretary may authorize financial assistance up to 80 per centum of the operating costs of such a program.

including cost of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

(e) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served without cost or at a reduced cost only to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay.

NONPROFIT PRIVATE SCHOOLS

(f) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provisions thereof.

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

Sec. 5. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed \$12,000,000, for the fiscal year ending June 30, 1968, not to exceed \$15,000,000, for each of the two fiscal years ending June 30, 1969, and June 30, 1970, not to exceed \$18,000,000, and for each fiscal year thereafter such sums as the Congress may hereafter authorize, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of nonprofit private schools, such equipment shall be for use of such schools principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States.

APPORTIONMENT TO STATES

(b) The Secretary shall apportion the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of the National School Lunch Act, as amended, for supplying agricultural and other foods, except that apportionment to American Samoa for any fiscal year shall be on the same basis as the apportionment to the other States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that at least one-fourth of

the cost of any equipment financed under this subsection shall be borne by State or local funds.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate, equipment, to conduct a school food service program, and to acquire such equipment. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made, by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed description of the equipment to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

NONPROFIT PRIVATE SCHOOLS

(d) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provision thereof.

PAYMENTS TO STATES

Sec. 6. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 3 through 7 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE ADMINISTRATIVE EXPENSES

Sec. 7. The Secretary may utilize funds appropriated under this section for advances to each State educational agency for use for its administrative expenses in supervising and giving technical assistance to the local school districts in their conducting of programs under this Act. Such funds shall be advanced only in amounts and to the extent determined necessary by the Secretary to assist such State agencies in the administration of additional activities undertaken by them under section 11 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act. There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.

UTILIZATION OF FOODS

Sec. 8. Each school participating under section 4 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as

amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in their feeding programs under this Act.

NONPROFIT PROGRAMS

Sec. 9. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a non-profit basis.

REGULATIONS

Sec. 10. The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act.

PROHIBITIONS

Sec. 11. (a) In carrying out the provisions of sections 3 through 5 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

(b) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

PRESCHOOL PROGRAMS

Sec. 12. The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

CENTRALIZATION OF ADMINISTRATION

Sec. 13. Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act and the National School Lunch Act.

Sec. 14. There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expense under this Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

Sec. 15. For the purposes of this Act --

- (a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.
- (b) "State educational agency" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education.
- (c) "Nonprofit private school" means any private school exempt from income tax under section 501 (c) (3) of the Internal Revenue Code of 1954.
- (d) "School" means any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.
- (e) "Secretary" means the Secretary of Agriculture.

ACCOUNTS AND RECORDS

Sec. 16. States, State educational agencies, schools, and nonprofit institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this Act and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1967
(P.L. 89-556, 89th Congress, September 7, 1966, 80 Stat. 695)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760), \$165,855,000, including \$2,000,000 for special assistance to needy schools, as authorized by law: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act: Provided further, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

Supplemental Appropriation Act, 1967

(P.L. 89-697, 89th Congress, October 27, 1966, 80 Stat. 1057)

Consumer and Marketing Service School Lunch Program

For an additional amount for "School Lunch Program", including \$2,000,000 for the pilot school breakfast program, and \$750,000 for the nonfood assistance program, \$2,750,000.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1968
(P.L. 90-113, 90th Congress, October 24, 1967, 81 Stat. 326)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760) and the applicable provisions of the Child Nutrition Act of 1966 (80 Stat. 885-890), \$182,825,000, of which not less than \$14,325,000 shall be used for the purposes of section 6 of the National School Lunch Act, including \$5,000,000 for special assistance to needy schools, \$3,500,000 for the pilot school breakfast program, \$750,000 for the nonfood assistance program: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further, That \$45,000,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

National School Lunch Act Amendment

(P.L. 90-302, 90th Congress, May 8, 1968, 82 Stat. 117)

Amend the National School Lunch Act to strengthen and expand food service programs for children, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the National School Lunch Act (42 U.S.C. 1752) is amended by striking out "section 11" and inserting in lieu thereof "sections 11 and 13". Appropriations shall be considered Health, Education, and Welfare functions for budget purposes rather than functions of Agriculture.

Sec. 2. (a) Section 6 of the National School Lunch Act (42 U.S.C. 1755) is amended by inserting "except section 13" immediately after "Act," where it first appears.

(b) Section 9 of such Act is amended by inserting before the period at the end of the first sentence the following: "; except that such minimum nutritional requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students".

Sec. 3. The National School Lunch Act is amended by adding at the end of the Act the following new section:

"SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

"Sec. 13. (a) (1) There is authorized to be appropriated \$32,000,000 for each of the three fiscal years ending June 30, 1969, June 30, 1970, and June 30, 1971, to enable the Secretary to formulate and carry out a pilot program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions. For purposes of this section, the term 'service institutions' means private, nonprofit institutions or public institutions, such as child day-care centers, settlement houses, or recreation centers, which provide day care, or other child care where children are not maintained in residence, for children from areas in which poor economic conditions exist and from areas in which there are high concentrations of working mothers, and includes public and private nonprofit institutions providing day care services for handicapped children.

"(2) Subject to all the provisions of this section, the term 'service institutions' also includes public or private nonprofit institutions that develop special summer programs providing food service similar to that available to children under the National School Lunch or School Breakfast Program during the school year, including such institutions providing day care services for handicapped children.

"(b) (1) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall reserve 2 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall each be paid an amount which bears the same ratio to the total of such reserved funds as the number of children aged three to seventeen, inclusive, in each bears to the total number of children of such ages in all of them.

"(2) From the remainder of the funds appropriated for any fiscal year, the Secretary shall pay to each State such sums as he deems appropriate, but not more than \$50,000, as a basic grant. In addition, the Secretary shall allot to each State from the funds remaining after the basic grants have been made an amount which bears the same ratio to such remaining funds as the number of children in that State aged three to seventeen, inclusive, in families with incomes of less than \$3,000 per annum bears to the total number of such children in all the States. For the purposes of this paragraph, the term 'State' does not include Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

"(c)(1) Funds paid to any State under this section shall be disbursed by the State educational agency to service institutions, selected on a nondiscriminatory basis by the State educational agency, (A) to reimburse the service institutions for the cost of obtaining agricultural commodities and other foods, and (B) for the purposes of paragraphs (2) and (3) of this subsection. The costs of obtaining agricultural commodities and other foods may include the cost of the processing, distributing, transporting, or handling thereof. Disbursement to participating service institutions shall be made at such rate of reimbursement per meal as the Secretary shall prescribe.

"(2) In circumstances of severe need where the rate per meal established by the Secretary is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including the cost of obtaining, preparing, and serving food. In the selection of institutions to receive assistance under this subsection, the State educational agency shall require the applicant institutions to provide justification of the need for such assistance.

"(3) Not to exceed 25 per centum of the funds paid to any State may be used by the State to assist service institutions by paying not to exceed 75 per centum of the cost of the purchase or rental or equipment, other than land and buildings, for the storage, preparation, transportation, and serving of food to enable the service institutions to establish, maintain, and expand food service under this section.

"(d) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disburse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

"(e) Notwithstanding the provisions of any other law, balances of funds appropriated for the purposes of this section and unobligated at the end of any fiscal year shall remain available for obligation during the first three months of the following year.

"(f) Service institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children determined by the service institutions to be unable to pay the full cost. In making such determination, service institution authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation or other discrimination against any child shall be made because of his inability to pay.

"(g) If any State cannot utilize all funds apportioned to it, or if additional funds are made available for apportionment among the States, under this section, the Secretary shall make further apportionments to the remaining States in the manner prescribed in subsection (b).

"(h) (1) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section of the Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

"(2) Each service institution participating under this section shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the institution area, or foods donated by the Secretary. Irrespective of the amount of funds appropriated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), may be donated by the Secretary to service institutions in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs.

"(3) The value of assistance to children under this section shall not be considered to be income or resources for any purpose under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

"(4) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this section.

"(5) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary."

Sec. 4. The first sentence of section 7 of the Child Nutrition Act of 1966 (42 U.S.C. 1776) is amended by adding immediately before the period at the end thereof "and under sections 11 and 13 of the National School Lunch Act". The second sentence of such section 7 is amended by striking out "section 11" and inserting in lieu thereof "sections 11 and 13".

Sec. 5. Section 4 (a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773 (a)) is amended to read as follows:

"Sec. 4. (a) There is hereby authorized to be appropriated for the fiscal year 1969, \$6,500,000; and for the fiscal year 1970 not to exceed \$10,000,000 and for the fiscal year 1971 not to exceed \$12,000,000 to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in schools. Appropriations and expenditures for this Act shall be considered Health, Education, and Welfare functions for budget purposes rather than functions of Agriculture."

School Lunch Program

Second Supplemental Appropriation Act, 1968
(P.L. 90-392, 90th Congress, July 9, 1968, 82 Stat. 308)

For an additional amount for "School lunch program", fiscal year 1969, for the special food service programs for children, including State and Federal administrative expenses therefore, pursuant to the Act of May 8, 1968 (Public Law 90-302), \$10,000,000.

School Lunch Program

Department of Agriculture and Related Agencies Appropriation Act, 1969
(P.L. 90-463, 90th Congress, August 8, 1968, 82 Stat. 639)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1760) and the applicable provisions of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785), \$178,474,000, including \$10,000,000 for special assistance to needy schools, \$3,500,000 for the pilot school breakfast program, \$750,000 for the nonfood assistance program: Provided, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further, That \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act.

Removal of Surplus Agricultural Commodities
(Section 32)

Department of Agriculture and Related Agencies Appropriation Act, 1969
(P.L. 90-463, 90th Congress, August 8, 1968, 82 Stat. 639)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for and (4) not more than \$45,000,000 (including not to exceed \$1,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; and (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food: Provided, That in making such determinations, the Secretary shall take into consideration the age; income; location and income of parents, if a minor; and employability.

Child Nutrition Programs

Department of Agriculture and Related Agencies Appropriation Act, 1970
(P.L. 91-127, 91st Congress, November 26, 1969, 83 Stat. 251)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761) and the applicable provisions

other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785), \$252,441,000, of which \$129,941,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That of the foregoing total amount there shall be available \$44,800,000 for special assistance to needy schools, \$10,000,000 for the school breakfast program, \$10,000,000 for the nonfood assistance program, \$750,000 for State administrative expenses, and \$15,000,000 for special food service programs for children to remain available until September 30, of the next succeeding fiscal year: Provided further, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended.

Removal of Surplus Agricultural Commodities
(Section 32)

Department of Agriculture and Related Agencies Appropriation Act, 1970
(P.L. 91-127, 91st Congress, November 26, 1969, 83 Stat. 253)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except forand (4) in addition to other amounts provided in this Act, not more than \$100,000,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; (b) additional direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency, an adequate diet to other needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food and (c) milk for children in nonprofit high schools and schools of lower levels, child-care centers, summer camps, and similar nonprofit institutions devoted to the care and training of children.

National School Lunch Act, Amendment
(P.L. 91-207, 91st Congress, March 12, 1970, 84 Stat. 51)

To amend the National School Lunch Act, as amended, to provide funds and authorities to the Department of Agriculture for the purpose of providing free or reduced-price meals to needy children not now being reached.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act (42 U.S.C. 1752) is amended by inserting after section 13 the following new section:

**"TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN
IN SCHOOLS**

"Sec. 13A. Notwithstanding any other provision of law, under such terms and conditions as he deems in the public interest, the Secretary of Agriculture is authorized to use an additional amount, not to exceed \$30,000,000 of funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to supplement funds heretofore made available to carry out programs during the fiscal year 1970 to improve the nutrition of needy children in public and nonprofit private schools participating in the national school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.)."

Food Service Programs for Children
(P.L. 91-248, 91st Congress, May 14, 1970, 84 Stat. 207)

To amend the National School Lunch Act and the Child Nutrition Act of 1966 to clarify responsibilities related to providing free and reduced-price meals and preventing discrimination against children, to revise program matching requirements, to strengthen the nutrition training and education benefits of the programs, and otherwise to strengthen the food service programs for children in schools and service institutions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

AUTHORIZATION FOR ADVANCE APPROPRIATIONS; CARRYOVER AUTHORIZATION

Section 1. (a) Section 3 of the National School Lunch Act is amended by inserting at the end thereof the following: "Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal

year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of such Acts shall remain available for the purposes of the Act for which appropriated until expended."

(b) The first sentence of section 10 of the National School Lunch Act and the first sentence of section 12(d) (5) of such Act are each amended by striking the words "preceding fiscal year" and inserting in lieu thereof the following: "fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated".

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

Section 2. Sections 5(a) and 5(b) of the Child Nutrition Act of 1966 are amended to read as follows:

"(a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1971, not to exceed \$38,000,000, for the fiscal year ending June 30, 1972, not to exceed \$33,000,000, for the fiscal year ending June 30, 1973, not to exceed \$15,000,000, and for each succeeding fiscal year, not to exceed \$10,000,000, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for use of such school principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, it may be transferred to another non-profit private school participating in any of such programs or to a public school participating in any of such programs, or, failing either of these dispositions, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States.

"(b) The Secretary shall apportion 50 per centum of the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of the National School Lunch Act, as amended, for supplying agricultural and other foods. The remaining funds appropriated for the purposes of this section shall be apportioned to each State on the basis of the ratio between the number of children enrolled in schools without a food service in such State and the number of children enrolled in schools without a food service in all States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that at least one-fourth of the cost of any equipment financed under this subsection shall be borne by State or local funds."

ADMINISTRATIVE EXPENSES, NUTRITION EDUCATION, AND DIRECT EXPENDITURES

Sec. 3. The first sentence of section 6 of the National School Lunch Act is amended to read as follows: "The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less

"(1) not to exceed $3\frac{1}{2}$ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966;

"(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act of 1966; and

"(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966,

shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act of 1966 in accordance with the needs as determined by the local school and service institution authorities."

STATE MATCHING REQUIREMENTS

Sec. 4. Section 7 of the National School Lunch Act is further amended by inserting immediately before the last sentence of such section the following: "For the fiscal year beginning July 1, 1971, and the fiscal year beginning July 1, 1972, State revenue (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 4 per centum of the matching requirement; for each of the two succeeding fiscal years, at least 6 per centum of the matching requirement; for each of the subsequent two fiscal years, at least 8 per centum of the matching requirement; and for each fiscal year thereafter, at least 10 per centum of the matching requirement. The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school

receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966."

STATE ADMINISTRATIVE EXPENSES

Sec. 5. The first sentence of section 7 of the Child Nutrition Act of 1966 is amended (1) by inserting "or for the administrative expenses of any other designated State agency" immediately after "its administrative expenses"; and (2) by inserting "and service institutions" immediately after "local school districts".

ADDITIONAL PROGRAM REQUIREMENTS AND AUTHORITY

Sec. 6. (a) The second sentence of section 9 of the National School Lunch Act (42 U.S.C. 1751) is amended by inserting "not exceeding 20 cents per meal" immediately after "or at a reduced cost".

(b) Section 9 of the National School Lunch Act is further amended by inserting after the second sentence thereof the following: "Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions; but, by January 1, 1971, any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at a reduced cost. The income poverty guidelines to be used for any fiscal year shall be those prescribed by the Secretary as of July 1 of such year. In providing meals free or at reduced cost to needy children, first priority shall be given to providing free meals to the neediest children. Determination with respect to the annual income of any household shall be made solely on the basis of an affidavit executed in such form as the Secretary may prescribe by an adult member of such household."

(c) Section 13(f) of the National School Lunch Act is amended by inserting after the second sentence, a new sentence: "Such determinations shall be made by the service institution authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions."

(d) The third sentence of section 9 of the National School Lunch Act and the fourth sentence of section 13(f) of such Act and the fourth sentence of section 4(e) of the Child Nutrition Act of 1966 are each amended by striking out the period at the end of the sentence and inserting in lieu thereof a comma and the following: "nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means."

(e) Section 9 of the National School Lunch Act is further amended by inserting at the end thereof the following: "The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32, under section 416 of the Agricultural Act of 1949, as amended, and under section 709 of the Food and Agriculture Act of 1965, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions. The requirements of this section relating to the service of meals without cost or at a reduced cost shall apply to the lunch program of any school utilizing commodities donated under any of the provisions of law referred to in the preceding sentence. None of the requirements of this section in respect to the amount for 'reduced cost' meals and to eligibility for meals without cost shall apply to nonprofit private schools which participate in the school lunch program under the provisions of section 10 until such time as the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet these requirements."

SPECIAL ASSISTANCE

Sec. 7. Section 11 of the National School Lunch Act is amended to read as follows:

SPECIAL ASSISTANCE

"Sec. 11. (a) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and for each succeeding fiscal year such sums as may be necessary to provide special assistance to assure access to the school lunch program under this Act by children of low-income families.

"(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to such funds as the number of children aged three to seventeen, inclusive, in such State bears to the total number of such children in all such States. If any such State cannot utilize for the purposes of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for additional funds for such purposes.

"(c) The remaining sums appropriated pursuant to this section for any fiscal year shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa. The amount apportioned to each such State shall bear the same ratio to such remaining funds as the number of children in such State aged three to seventeen, inclusive, in households with incomes of less than \$4,000 per annum bears to the total number of such children in all such States. If any such State cannot utilize for the purpose of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for such additional funds for such purposes.

"(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of this Act.

"(e) Funds paid to any State for any fiscal year pursuant to this section shall be disbursed to schools in such State to assist them in financing all or part of the operating costs of the school lunch program in such schools including the costs of obtaining, preparing, and serving food. The amounts of funds that each school shall from time to time receive, within a maximum per meal amount established by the Secretary for all States, shall be based on the need of the school for assistance in meeting the requirements of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

"(f) If in any State the State educational agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsection (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free or reduced-price lunches served in accordance with section 9 of this Act in the fiscal year beginning two years immediately prior to the fiscal year for which the funds are appropriated by all nonprofit private schools participating in the program under this Act in such State, bears to the number of such free and reduced-price lunches served during such prior year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

"(g) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to sections 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.

"(h) (1) Not later than January 1 of each year, each State educational agency shall submit to the Secretary, for approval by him as a prerequisite to receipt of Federal funds or any commodities donated by the Secretary for

in programs under this Act and the Child Nutrition Act of 1966, a State plan of child nutrition operations for the following fiscal year, which shall include, as a minimum, a description of the manner in which the State educational agency proposes (A) to use the funds provided under this Act and funds from sources within the State to furnish a free or reduced-price lunch to every needy child in accordance with the provisions of section 9; (B) to extend the school-lunch program under this Act to every school within the State, and (C) to use the funds provided under section 13 of this Act and section 4 of the Child Nutrition Act of 1966 and funds from sources within the State to the maximum extent practicable to reach needy children.

"(2) Each school participating in the school-lunch program under this Act shall report each month to its State educational agency the average number of children in the school who received free lunches and the average number of children who received reduced price lunches during the immediately preceding month. Each participating school shall provide an estimate, as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch.

"(3) The State educational agency of each State shall report to the Secretary each month the average number of children in the State who received free lunches and the average number of children in the State who received reduced price lunches during the immediately preceding month. Each State educational agency shall provide an estimate as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch."

REGULATIONS

Sec. 8. Section 10 of the Child Nutrition Act of 1966 is amended by striking out the period at the end thereof and inserting in lieu thereof the following: "and the National School Lunch Act, including regulations relating to the service of food in participating schools and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. In such regulations the Secretary may provide for the transfer of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of the funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects."

NATIONAL ADVISORY COUNCIL

Sec. 9. The National School Lunch Act is amended by adding at the end thereof the following new section:

"NATIONAL ADVISORY COUNCIL

"Sec. 14. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the 'Council') which shall be composed of thirteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a State school lunch director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

"(b) The nine members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

"(c) The Secretary shall designate one of the members to serve as Chair and one to serve as Vice Chairman of the Council.

"(d) The Council shall meet at the call of the Chairman but shall meet least once a year.

"(e) Seven members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

"(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress an annual written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

"(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

"(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council."

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

Sec. 10. Section 4(a) of the Child Nutrition Act of 1966 is hereby amended by striking out "\$12,000,000" and inserting "\$25,000,000".

Child Nutrition Act of 1966, Amendment

(P.L. 91-295, 91st Congress, June 30, 1970, 84 Stat. 336)

to provide a special milk program for children.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Child Nutrition Act of 1966 is amended to read as follows:

"Sec. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1970, and for each succeeding fiscal year, not to exceed \$120,000,000, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section 'United States' means the fifty States, Guam, and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 89-642, as amended, during the fiscal year ending June 30, 1969.

Note by the Office of the Federal Register. - The foregoing Act, having been presented to the President of the United States on Wednesday, June 17, 1970, for his approval and not having been returned by him to the House of Congress in which it originated within the time prescribed by the Constitution of the United States, has become a law without his approval on June 30, 1970.)

CHILD NUTRITION PROGRAMS

Department of Agriculture and Related Agencies Appropriation Act, 1971
(P.L. 91-566, 91st Congress, December 22, 1970, 84 Stat. 1488)

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); Public Law 91-248, \$476,007,000, of which \$174,033,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That of the foregoing total amount there shall be available \$204,747,000 for special assistance to needy schoolchildren, \$12,000,000 for the school breakfast program, \$15,000,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and \$12,000,000 for special food service programs for children: Provided further That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: Provided further That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other funds pursuant to section 6 of the National School Lunch Act, as amended: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

Removal of Surplus Agricultural Commodities
(Section 32)

Department of Agriculture and related Agencies Appropriation Act, 1971
(P.L. 91-566, 91st Congress, December 22, 1970, 84 Stat. 1487)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein and other related operating expenses, except for and (4) in addition to other amounts provided in this Act, not more than \$186,058,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended; . . .

School Breakfast and Special Food Service Programs
(P.L. 92-32, 92nd Congress, June 30, 1971, 85 Stat. 85)

extend the school breakfast and special food programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the National School Lunch Act (42 U.S.C. 1752) is amended by adding at the end of the Act the following new section:

"Sec. 15. (a) In addition to funds appropriated or otherwise available, the Secretary is authorized to use, during the fiscal year ending June 30, 1971, not to exceed \$35,000,000 in funds from Section 32 of the Act of August 24, 1935 (47 U.S.C. 612c), to carry out the provisions of this Act, and during the fiscal year ending June 30, 1972, not to exceed \$100,000,000 in funds from such section 32 to carry out the provisions of this Act relating to the service of free and reduced-price meals to needy children in schools and service institutions.

"(b) Any funds unexpended under this section at the end of the fiscal year ending June 30, 1971, or at the end of the fiscal year ending June 30, 1972, shall remain available to the Secretary in accordance with the last sentence of section 3 of this Act, as amended."

Sec. 2. The first sentence of section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended to read as follows: "There is hereby authorized to be appropriated for each of the fiscal years 1972 and 1973 not to exceed \$25,000,000 to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in schools."

Sec. 3. (a) The first sentence of section 4(c) of such Act (42 U.S.C. 1773(c)) is amended by striking out "to reimburse such schools for the" and inserting "to assist such schools in financing the".

(b) The last sentence of such section 4(c) is amended to read as follows: "In selecting schools for participation, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist, to those schools in which a substantial proportion of the children enrolled must travel long distances daily, and to those schools in which there is a special need for improving the nutrition and dietary practices of children of working mothers and children from low-income families".

Sec. 4. Section 4(d) of the Child Nutrition Act of 1966, is amended by striking out "80 per centum" and inserting "100 per centum".

Sec. 5. Section 4(e) of the Child Nutrition Act of 1966 is amended by striking out the sentence reading "In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies." and inserting the following: "Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions; but any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at reduced cost. The income poverty guidelines to be used for any fiscal year shall be those prescribed by the Secretary as of July 1 of such year. In providing meals free or at reduced cost to needy children, first priority shall be given to providing free meals to the neediest children. Determination with respect to the annual income of any household shall be made solely on the basis of an affidavit executed in such form as the Secretary may prescribe by an adult member of such household. None of the requirements of this section in respect to eligibility for meals without cost shall apply to nonprofit private schools which participate in the school breakfast program under the provisions of subsection (f) until such time as the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet these requirements."

Sec. 6. In addition to funds appropriated or otherwise available, the Secretary of Agriculture is authorized to use, during the fiscal year ending June 30, 1972, not to exceed \$20,000,000 in funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for the purpose of carrying out in any area of the United States direct distribution or other programs, without regard to whether such area is under the food stamp program or a system of direct distribution, to provide, in the immediate vicinity of their place of permanent residence, either directly or through a State or local welfare agency an adequate diet to needy children and low-income persons determined by the Secretary of Agriculture to be suffering, through no fault of their own, from general and continued hunger resulting from insufficient food. Food made available to needy children under this section shall be in addition to any food made available to them under the National School Lunch Act or the Child Nutrition Act of 1966. Whenever any program is carried out by the Secretary under authority of the preceding sentence through any State or local welfare agency he is authorized to pay the administrative costs incurred by such State or local agency in carrying out such program.

Sec. 7. (a) The first sentence of section 13(a) (1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)) is amended to read as follows: "There is authorized to be appropriated \$32,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means,

to initiate, maintain, or expand nonprofit food service programs for children in service institutions."

(b) In section 13(c) (2) of the National School Lunch Act (42 U.S.C. 1761(c)(2)) after the first sentence insert: "Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to equipment and services."

Child Nutrition Programs

(P.L. 92-35, 92nd Congress, June 30, 1971, 85 Stat. 85)

Joint Resolution

ing an appropriation for the fiscal year 1972 for the Department of Agriculture, for other purposes.

olved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of money the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1972, ely:

For the summer programs of the nonschool feeding program for children, as provided for in H.R. 9270, Ninety-second Congress (as passed by the House of Representatives), to be immediately available, \$17,000,000.

Agriculture - Environmental and Consumer Protection Programs, 1972
(P.L. 92-73, 92nd Congress, August 10, 1971, 85 Stat. 199)

Child Nutrition Programs

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); Public Law 91-248, \$531,594,000, of which \$167,718,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That of the foregoing total

amount there shall be available \$237,047,000 for special assistance to needy school children, \$25,000,000 (of which \$6,500,000 shall be placed in contingency reserve to be released on determination of need) for the school breakfast program, \$16,110,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and \$20,775,000 for special food service programs for children: Provided further, That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: Provided further, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109; Provided further, That this appropriation shall be available only within the limits of amounts authorized by law for fiscal year 1972.

Removal of Surplus Agricultural Commodities (Section 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein and other related operating expenses, except for . . . (4) in addition to other amounts provided in this Act, not more than \$181,758,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, of which \$11,225,000 shall be available, in addition to other funds available, for the summer programs of the nonschool feeding program; . . .

Joint Resolution

(P.L. 92-153, 92nd Congress, H.J. Res. 923, November 5, 1971)

To assure that every needy schoolchild will receive a free or reduced price lunch as required by section 9 of the National School Lunch Act.

Whereas it appears that under the proposed apportionment of funds available for special assistance under section 11 of the National School Lunch Act for the fiscal year ending June 30, 1972 (including funds appropriated by section 32 of the Act of August 24, 1935, and made available for that purpose), only six States will receive more than 30 cents in such assistance per free or reduced price lunch; and

Whereas it appears that this amount per lunch is not adequate to enable States and schools to continue to participate in the school lunch program

and to achieve the objectives of the National School Lunch Act, particularly that of providing a free or reduced price lunch to every needy child: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of Agriculture shall until such time as a supplemental appropriation may provide additional funds for such purpose use so much of the funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), as may be necessary, in addition to the funds now available therefor, to carry out the purposes of section 11 of the National School Lunch Act and provide a rate of reimbursement which will assure every needy child of free or reduced price lunches during the fiscal year ending June 30, 1972, and to carry out the purposes of section 4 of the National School Lunch Act and provide an average rate of reimbursement of 6 cents per meal within each State. In determining the amount of funds needed and the requirements of the various States therefor, the Secretary shall consult with the National Advisory Council on Child Nutrition and interested parties. Funds expended under the foregoing provisions of this resolution shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out section 4 and section 11 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

Section 2. Funds made available by this joint resolution shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced price lunches and to meet the objective of this joint resolution with respect to providing a minimum rate of reimbursement under section 4 of the National School Lunch Act, and such funds shall be apportioned and paid as expeditiously as may be practicable.

Section 3. The Secretary of Agriculture shall immediately upon enactment of this resolution determine and report to Congress the needs for additional funds to carry out the school breakfast and nonfood assistance programs authorized by sections 4 and 5 of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, at levels which will permit expansion of the school breakfast and school lunch programs to all schools desiring such programs as rapidly as practicable.

Section 4. Section 11(e) of the National School Lunch Act is amended by inserting the following immediately after "the full cost of such lunches": "but in no event shall such amounts be less than an amount determined by -

"(1) multiplying the number of meals served free in the school during such year by 40 cents or the cost per meal of providing such meals, whichever is less, and

"(2) multiplying the number of meals served at a reduced price in

the school during such year by 40 cents or the cost per meal of providing such meals less the highest reduced price charged, whichever is less:

Provided however, That any school which requires a greater amount of reimbursement per meal served free or at a reduced price in order to fulfill the requirements of section 9 of this Act shall receive such greater amount if it can establish to the satisfaction of the State agency that it would otherwise be financially unable to support the service of such meals. The maximum per meal amount established by the Secretary shall in no event be less than 40 cents; and the Secretary shall establish a higher maximum per meal amount for especially needy schools based on such schools' need for assistance in providing free and reduced price lunches for all needy children.

Section 5. Section 9 of the National School Lunch Act is amended by inserting after "July 1 of such year" the following": Provided, however, That during fiscal year 1972 such guidelines shall be considered only as a national minimum standard of eligibility and the Secretary shall reimburse during such fiscal year State agencies and local school authorities for free and reduced cost meals served pursuant to eligibility standards established by State agencies prior to October 1, 1971".

Section 6. The Secretary shall not lower minimum standards of eligibility for free and reduced price meals nor require a reduction in the number of children served in any school district during a fiscal year to be effective for that fiscal year. This section shall apply to fiscal year 1972.

Section 7. In addition to any other authority given to the Secretary he is hereby authorized to transfer funds from section 32 of the Act of August 24 1935, for the purpose of assisting schools which demonstrate a need for additional funds in the school breakfast program.

Agriculture-Environmental and Consumer Protection Appropriation Act
(P.L. 92-399, 92nd Congress, August 22, 1972, 86 Stat. 609-610)

Child Nutrition Programs

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); Public Law 91-248, \$526,136,000, of which \$54,840,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That of the foregoing total amount there shall be available \$237,047,000 for special assistance to needy schoolchildren, \$18,500,000 (of which \$6,500,000 shall be placed in contingency reserve to be released on determination of need) for the school breakfast program, \$15,000,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and \$20,775,000 for special food service programs for children: Provided further, That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: Provided further, That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further,

That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

Agriculture-Environmental and Consumer Protection Appropriation Act, 1973
(P.L. 92-399, 92nd Congress, August 22, 1972, 86 Stat. 597)

Funds for Strengthening Markets, Income, and Supply
(Section 32)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for . . . and (4) in addition to other amounts provided in this Act, not more than \$502,193,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, of which \$53,225,000 shall be available for the nonschool feeding program; . . .

Food Service Programs for Children
(P.L. 92-433, 92nd Congress, H.R. 14896, September 26, 1972, 86 Stat. 724)

To amend the National School Lunch Act, as amended, to assure that adequate funds are available for the conduct of summer food service programs for children from areas in which poor economic conditions exist and from areas in which there are high concentrations of working mothers, and for other purposes related to expanding and strengthening the child nutrition programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 13 of the National School Lunch Act (42 U.S.C. 1761) is amended by adding at the end thereof the following:

"(i) Notwithstanding any other provision of law, the Secretary of Agriculture is authorized to utilize, during the period May 15 to September 15, 1972, not to exceed \$25,000,000 from funds available during the fiscal years 1972 and 1973 under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to carry out the purposes of this section. Funds expended under the provisions of this paragraph shall be reimbursed out of any

supplemental appropriation hereafter enacted for the purpose of carrying out section 13 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32. Funds made available under this subsection shall be in addition to direct appropriations or other funds available for the conduct of summer food service programs for children."

Sec. 2. (a) The first sentence of section 13(a)(1) of the National School Lunch Act (42 U.S.C. 1761(a)(1)), as amended, is amended to read as follows: "There is hereby authorized to be appropriated such sums as are necessary for each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, to enable the Secretary to formulate and carry out a program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions."

(b) Section 13(a)(2) of such Act is amended by inserting a new sentence at the end thereof as follows: "To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize the existing food service facilities of public and nonprofit private schools."

Sec. 3. (a) The first sentence of section 4(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(a)) is amended to read as follows: "There is hereby authorized to be appropriated such sums as are necessary for the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, to enable the Secretary to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in all schools which make application for assistance and agree to carry out a nonprofit breakfast program in accordance with this Act."

(b) Section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)) is amended to read as follows:

"APPORTIONMENT TO STATES

"(b) Of the funds appropriated for the purposes of this section, the Secretary shall for the fiscal year ending June 30, 1973, (1) apportion \$2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa, and \$45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended. For each fiscal year beginning with the fiscal year ending June 30, 1974, the Secretary shall make breakfast assistance payments, at such times as he may determine, from the sums appropriated therefor, to each State educational agency, in a total amount equal to the result obtained by (1) multiplying the number of breakfasts (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to subsection (e) of this section) served during such fiscal year to children in schools in such States which participate in the breakfast program under this section under agreements with such State educational agency by a national

average breakfast payment prescribed by the Secretary for such fiscal year to carry out the purposes of this section; (2) multiplying the number of such breakfasts served free to children eligible for free breakfasts in such schools during such fiscal year by a national average free breakfast payment prescribed by the Secretary for such fiscal year to carry out the purposes of this section; and (3) multiplying the number of reduced price breakfasts served to children eligible for reduced price breakfasts in such schools during such fiscal year by a national average reduced price breakfast payment prescribed by the Secretary for such fiscal year to carry out the provisions of this section: Provided, That in any fiscal year the aggregate amount of the breakfast assistance payments made by the Secretary to each State educational agency for any fiscal year shall not be less than the amount of the payments made by the State educational agency to participating schools within the State for the fiscal year ending June 30, 1972, to carry out the purposes of this section."

(c) Section 4(c) of the Child Nutrition Act (42 U.S.C. 1773(c)) is amended by adding at the end thereof the following sentence: "Breakfast assistance disbursements to schools under this section may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary."

(d) Section 4(e) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)) is amended to read as follows:

"NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

"(e) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served free or at a reduced price to children in school under the same terms and conditions as are set forth with respect to the service of lunches free or at a reduced price in section 9 of the National School Lunch Act."

(e) Section 4(f) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(f)) is amended to read as follows:

"(f) For the fiscal year ending June 30, 1973, any withholding of funds for and disbursement to nonprofit private schools shall be effected in the manner used prior to such fiscal year. Beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments from the sums appropriated for any fiscal year for the purposes of this section directly to the nonprofit private schools within a State, that participate in the breakfast program under an agreement with the Secretary, for the same purposes and subject to the same conditions as are authorized or required under this section with respect to the disbursements by State educational agencies."

Sec. 4. (a) Notwithstanding any other provision of law, the Secretary of Agriculture shall until such time as a supplemental appro-

priation may provide additional funds for such purposes use so much of the funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)), as may be necessary, in addition to the funds available therefor, to carry out the purposes of section 4 of the National School Lunch Act and provide an average rate of reimbursement of not less than 8 cents per meal within each State during the fiscal year 1973. Funds expended under the foregoing provisions of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out section 4 of the National School Lunch Act, and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

(b) Funds made available pursuant to this section shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced-price lunches and to meet the objective of this section with respect to providing a minimum rate of reimbursement under section 4 of the National School Lunch Act, and such funds shall be apportioned and paid as expeditiously as may be practicable.

(c) Section 4 of the National School Lunch Act is amended effective after the fiscal year ending June 30, 1973, to read as follows:

"Sec. 4. The sums appropriated for any fiscal year pursuant to the authorizations contained in section 3 of the Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other food for the program in accordance with the provisions of this Act. For each fiscal year the Secretary shall make food assistance payments, at such times as he may determine, from the sums appropriated therefor, to each State educational agency, in a total amount equal to the result obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under subsection 9(a) of this Act) served during such fiscal year to children in schools in such State, which participate in the school lunch program under this Act under agreements with such State educational agency, by a national average payment per lunch for such fiscal year determined by the Secretary to be necessary to carry out the purposes of this Act: Provided, That in any fiscal year such national average payment shall not be less than 8 cents per lunch and that the aggregate amount of the food assistance payments made by the Secretary to each State educational agency for any fiscal year shall not be less than the amount of the payments made by the State agency to participating schools within the State for the fiscal year ending June 30, 1972, to carry out the purposes of this section 4."

(d) Section 10 of the National School Lunch Act of 1946 (42 U.S.C. 1759) is amended by striking "section 7." at the end thereof and inserting in lieu thereof the following: "section 7: Provided, That

beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments from the sums appropriated for any fiscal year for the purposes of section 4 of this Act directly to the nonprofit private schools in such State for the same purposes and subject to the same conditions as are authorized or required under this Act with respect to the disbursements by the State educational agencies."

Sec. 5. (a) The first sentence of section 9 of the National School Lunch Act is designated as subsection (a) of that section.

(b) The second through the seventh sentences of section 9 of the National School Lunch Act shall be designated as subsection (b) of that section and are amended to read as follows:

"(b) The Secretary, not later than May 15 of each fiscal year, shall prescribe an income poverty guideline setting forth income levels by family size for use in the subsequent fiscal year, and such guideline shall not subsequently be reduced to be effective in such subsequent fiscal year. Any child who is a member of a household which has an annual income not above the applicable family-size income level set forth in the income poverty guideline prescribed by the Secretary shall be served a free lunch. Following the announcement by the Secretary of the income poverty guideline for each fiscal year, each State educational agency shall prescribe the income guidelines, by family size, to be used by schools in the State during such fiscal year in making determinations of those children eligible for a free lunch. The income guidelines for free lunches to be prescribed by each State educational agency shall not be less than the applicable family-size income levels in the income poverty guideline prescribed by the Secretary and shall not be more than 25 per centum above such family-size income levels. Each fiscal year, each State educational agency shall also prescribe income guidelines, by family size, to be used by schools in the State during such fiscal year in making determinations of those children eligible for a lunch at a reduced price, not to exceed 20 cents, if a school elects to serve reduced-price lunches. Such income guidelines for reduced-price lunches shall be prescribed at not more than 50 per centum above the applicable family-size income levels in the income poverty guideline prescribed by the Secretary, except that any local school authority having income guidelines for free or reduced price lunches which exceed those allowed by this subsection may continue to use such guidelines for determining eligibility until July 1, 1973, if such guidelines were established prior to July 1, 1972. Local school authorities shall publicly announce such income guidelines on or about the opening of school each fiscal year and shall make determinations with respect to the annual incomes of any household solely on the basis of a statement executed in such form as the Secretary may prescribe by an adult member of such household. No physical segregation of or other discrimination against any child eligible for a free lunch or a reduced-price lunch shall be made by the school nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or by other means."

(c) The eighth through the thirteenth sentences of section 9 of the National School Lunch Act shall be designated as subsection (c) of that section and the last sentence of such subsection shall be amended by deleting the phrase "under the provisions of section 10 until such time as the Secretary" and inserting in lieu thereof the following phrase "under this Act until such time as the State educational agency, or in the case of such schools which participate under the provisions of section 10 of this Act the Secretary".

Sec. 6. (a) The first sentence of section 5(a) of the Child Nutrition Act of 1966, as amended by section 2 of Public Law 91-248, is amended by deleting the phrase "for the fiscal year ending June 30, 1973, not to exceed \$15,000,000 and for each succeeding fiscal year, not to exceed \$10,000,000" and inserting in lieu thereof the following phrase: "for each of the three fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, not to exceed \$40,000,000 and for each succeeding fiscal year, not to exceed \$20,000,000".

(b) Section 5(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1774(b)) is amended to read as follows:

"(b) Except for the funds reserved under subsection (e) of this section, the Secretary shall apportion the funds appropriated for the purposes of this section among the States on the basis of the ratio that the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to section 9 of the National School Lunch Act) served in each State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are apportioned bears to the total number of such lunches served in all States in such preceding fiscal year. If any State cannot utilize all of the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionments to the remaining States in the manner set forth in this subsection for apportioning funds among all the States. Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this subsection shall be borne by funds from sources within the State."

(c) Section 5(d) of the Child Nutrition Act of 1966 (42 U.S.C. 1774(d)) is amended to read as follows:

"(d) If, in any State, the State educational agency is prohibited by law from administering the program authorized by this section in nonprofit private schools within the State, the Secretary shall administer such program in such private schools. In such event, the Secretary shall withhold from the funds apportioned to any such State under the provisions of subsection (b) of this section an amount which bears the same ratio to such funds as the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to section 9(a) of the National School Lunch Act)

served in nonprofit private schools in such State in the latest preceding fiscal year for which the Secretary determines data are available at the time such funds are withheld bears to the total number of such lunches served in all schools within such State in such preceding fiscal year."

(d) Section 5 of the Child Nutrition Act (42 U.S.C. 1774) is amended by adding at the end thereof the following new subsection:

"RESERVE OF FUNDS

"(e) In each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, 50 per centum of the funds appropriated for the purposes of this section shall be reserved by the Secretary to assist schools without a food service. The Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children enrolled in schools without a food service in the State for the latest fiscal year for which the Secretary determines data are available at the time such funds are apportioned to the total number of children enrolled in schools without a food service in all States in such fiscal year. In those States in which the Secretary administers the nonfood assistance program in nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service in such State for the latest fiscal year for which the Secretary determines data are available at the time such funds are withheld bears to the total number of children enrolled in all schools without food service in such State in such fiscal year. The funds reserved, apportioned, and withheld under the authority of this subsection shall be used by State educational agencies, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service. If any State cannot utilize all the funds apportioned to it under the provisions of this subsection to assist schools in the State without a food service, the Secretary shall make further apportionments to the remaining States in the same manner set forth in this subsection for apportioning funds among all the States and such remaining States, or the Secretary in the case of nonprofit private schools, shall use the additional funds so apportioned or withheld only to assist schools in the State without a food service. Payments to any State of the funds apportioned under the provisions of this paragraph shall be made upon condition that at least one-fourth of the cost of equipment financed shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this section to assist schools without food service if such schools are especially needy, as determined by the State."

(e) To assist the Congress in determining the amounts needed annually, the Secretary is directed to conduct a survey among the States and school districts on unmet needs for equipment in schools eligible for assistance under section 5 of the Child Nutrition Act. The results of such survey shall be reported to the Congress by June 30, 1973.

Sec. 7. After the first sentence of section 10 of the Child Nutrition Act of 1966 (42 U.S.C. 1779) add the following new sentence: "Such regulations shall not prohibit the sale of competitive foods in food service facilities or areas during the time of service of food under this Act or the

National School Lunch Act if the proceeds from the sales of such foods will inure to the benefit of the schools or of organizations of students approved by the schools."

Sec. 8. Section 8 of the National School Lunch Act (42 U.S.C. 1757) is amended by deleting the phrase "reimbursing it for" in the second sentence thereof and inserting in lieu thereof the following: "assisting it to finance" and by adding at the end of such section the following sentence: "Lunch assistance disbursements to schools under this section and under section 11 of this Act may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary."

Sec. 9. The Child Nutrition Act of 1966 is further amended by adding at the end thereof a new section as follows:

"SPECIAL SUPPLEMENTAL FOOD PROGRAM

"Sec. 17. (a) During each of the fiscal years ending June 30, 1973, and June 30, 1974, the Secretary shall make cash grants to the health department or comparable agency of each State for the purpose of providing funds to local health or welfare agencies or private nonprofit agencies of such State serving local health or welfare needs to enable such agencies to carry out a program under which supplemental foods will be made available to pregnant or lactating women and to infants determined by competent professionals to be nutritional risks because of inadequate nutrition and inadequate income. Such program shall be operated for a two-year period and may be carried out in any area of the United States without regard to whether a food stamp program or a direct food distribution program is in effect in such area.

"(b) In order to carry out the program provided for under subsection of this section during the fiscal year ending June 30, 1973, the Secretary shall use \$20,000,000 out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). In order to carry out such program during the fiscal year ending June 30, 1974, there is authorized to be appropriated the sum of \$20,000,000, but in the event that such sum has not been appropriated for such purpose by August 1, 1973, the Secretary shall use \$20,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and \$20,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c)). Any funds expended from such section 32 to carry out the provisions of subsection (a) of this section shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out the provisions of such subsection, and such reimbursements shall be deposited into the fund established pursuant to such section 32, to be available for the purpose of such section.

"(c) Whenever any program is carried out by the Secretary under authority of this section through any State or local or nonprofit agency, he is authorized to pay administrative costs not to exceed 10 per centum of the Federal funds provided under the authority of this section.

"(d) The eligibility of persons to participate in the program provided for under subsection (a) of this section shall be determined by competent professional authority. Participants shall be residents of areas served by clinics or other health facilities determined to have significant numbers of infants and pregnant and lactating women at nutritional risk.

"(e) State or local agencies or groups carrying out any program under this section shall maintain adequate medical records on the participants assisted to enable the Secretary to determine and evaluate the benefits of the nutritional assistance provided under this section. The Secretary and Comptroller General of the United States shall submit preliminary evaluation reports to the Congress not later than October 1, 1973; and not later than March 30, 1974, submit reports containing an evaluation of the program provided under this section and making recommendations with regard to its continuation.

"(f) As used in this section--

"(1) 'Pregnant and lactating women' when used in connection with the term at 'nutrition risk' includes mothers from low-income populations who demonstrate one or more of the following characteristics: known inadequate nutritional patterns, unacceptably high incidence of anemia, high prematurity rates, or inadequate patterns of growth (underweight, obesity, or stunting). Such term (when used in connection with the term 'at nutritional risk') also includes low-income individuals who have a history of high-risk pregnancy as evidenced by abortion, premature birth, or severe anemia.

"(2) 'Infants' when used in connection with the term 'at nutritional risk' means children under four years of age who are in low-income populations which have shown a deficient pattern of growth, by minimally acceptable standards, as reflected by an excess number of children in the lower percentiles of height and weight. Such term, when used in connection with 'at nutritional risk', may also include (at the discretion of the Secretary) children under four years of age who (A) are in the parameter of nutritional anemia, or (B) are from low-income populations where nutritional studies have shown inadequate infant diets.

"(3) 'Supplemental foods' shall mean those foods containing nutrients known to be lacking in the diets of populations at nutritional risks and, in particular, those foods and food products containing high-quality protein, iron, calcium, vitamin A, and vitamin C. Such term may also include (at the discretion of the Secretary) any food product commercially formulated preparation specifically designed for infants.

"(4) 'Competent professional authority' includes physicians, nutritionists, registered nurses, dieticians, or State or local medically trained health officials, or persons designated by physicians or State or local medically trained health officials as being competent professionally to evaluate nutritional risk."

Sec. 10. Section 7 of the National School Lunch Act (42 U.S.C. 1756) is amended by inserting the words "for the preceding fiscal year" after the phrase "per centum of the matching requirement" each time such phrase appears in such section.

Child Nutrition Programs, Federal Financial Assistance, 1973
(P.L. 93-13, 93rd Congress, March 30, 1973, 87 Stat. 9)

To amend the National School Lunch Act to assure that Federal financial assistance to the child nutrition programs is maintained at the level budgeted for fiscal year ending June 30, 1973

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

CONGRESSIONAL FINDINGS

Section 1. The Congress finds that the volume and variety of Federal food donations to the school lunch and child nutrition programs are significantly below the amounts programmed and budgeted for the fiscal year ending June 30, 1973, and that schools participating in these programs are confronted with serious financial problems in obtaining sufficient supplies of the foods required to meet the nutritional standards established by law for these programs. It is, therefore, the purpose of this Act to provide an effective and immediate solution to this nutritional crisis.

SCHOOL PURCHASES OF FOOD SUPPLIES

Sec. 2. Section 6 of the National School Lunch Act is amended by adding at the end thereof the following new subsections and by redesignating the existing portions of said section as subsection (a):

"(b) As of March 15, 1973, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during the fiscal year ending June 30, 1973, to States for school food service programs under the provisions of this section, section 416 of the Agricultural Act of 1949, and section 32 of the Act of August 24, 1935. If such estimated value is less than 90 per centum of the value of such deliveries initially programed for the fiscal year ending June 30, 1973, the Secretary shall pay to State educational agencies; by not later than April 15, 1973, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of March 15, 1973, of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, bears to the total of all such meals served in all the States during such fiscal year: Provided, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same

ratio to the total of such payment as the number of meals served in non-profit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during the fiscal year ending June 30, 1972, bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods for their food service program. Such food shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under title 7, subtitle b, chapter II, subchapter a, parts 210 and 220.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act."

Agriculture-Environmental and Consumer Protection Appropriation Act, 1973
(P.L. 93-135, 93rd Congress, October 24, 1973, 87 Stat. 488-489)

Child Nutrition Programs

For necessary expenses to carry out the provisions of the National School Lunch Act, as amended (42 U.S.C. 1751-1761); Public Law 91-248 and the applicable provisions other than section 3 of the Child Nutrition Act of 1966, as amended (42 U.S.C. 1773-1785); \$696,918,000, of which \$135,306,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That of the foregoing total amount there shall be available \$237,040,000 for special assistance to needy school-children, \$60,000,000 for the school breakfast program, \$22,110,000 for the nonfood assistance program, \$1,500,000 for State administrative expenses, and \$20,000,000 for special food service programs for children: Provided further That funds provided herein shall remain available until expended in accordance with section 3 of the National School Lunch Act, as amended: Provided further That no part of this appropriation shall be used for nonfood assistance under section 5 of the National School Lunch Act, as amended: Provided further, That an additional \$64,325,000 shall be transferred to this appropriation from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), for purchase and distribution of agricultural commodities and other foods pursuant to section 6 of the National School Lunch Act, as amended; Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed \$75,000 shall be available for employment under 5 U.S.C. 3109.

FUNDS FOR STRENGTHENING MARKETS, INCOME AND SUPPLY (SECTION 32)

Agriculture-Environmental and Consumer Protection Appropriation Act, 1973
(P.L. 93-135, 93rd Congress, October 24, 1973, 87 Stat. 475)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for...and (4) in addition to other amounts provided in this Act, not more than \$508,560,000 (including not to exceed \$2,000,000 for State administrative expenses) for (a) child feeding programs and nutritional programs authorized by law in the School Lunch Act and the Child Nutrition Act, as amended, of which \$60,600,000 shall be available for the nonschool feeding program;...

Child Nutrition Programs, Federal Financial Assistance, 1973
(P.L. 93-150, 93rd Congress, November 7, 1973, 87 Stat. 560-564)

To amend the National School Lunch and Child Nutrition Acts for the purpose of providing additional Federal financial assistance to the school lunch and school breakfast programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch and Child Nutrition Act Amendments of 1973".

REIMBURSEMENT

Sec. 2. (a) Section 4 of the National School Lunch Act is amended to delete the phrase "8 cents per lunch" as it appears in said section and substitute the phrase "10 cents per lunch".

(b) Section 8 of the National School Lunch Act is amended by inserting before the last sentence thereof the following new sentence: "In any fiscal year in which the national average payment per lunch determined under section 4 is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, shall be increased by a like amount."

SPECIAL ASSISTANCE FUNDS

Sec. 3. (a) Section 11 of the National School Lunch Act is amended by redesignating subsections (g) and (h) as subsections (d) and (e), respectively, and by striking out subsections (a), (b), (c), (d), (e), and (f), and inserting in lieu thereof the following:

"(a) Except as provided in section 10 of this Act, in each fiscal year each State educational agency shall receive special-assistance payments in an amount equal to the sum of the product obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to subsection 9(a) of this Act) served free to children eligible for such lunches in schools within that State during such fiscal year by the special-assistance factor for free lunches prescribed by the Secretary for such fiscal year and the product obtained by multiplying the number of lunches served at a reduced price to children eligible for such reduced-price lunches in schools within that State during such fiscal year by the special-assistance factor for reduced-price lunches prescribed by the Secretary for such fiscal year. For the fiscal year beginning July 1, 1973, the Secretary shall prescribe a special-assistance factor for free lunches of not less than 45 cents and a special-assistance factor for reduced-price lunches which shall be 10 cents less than the special-assistance factor for free lunches. The Secretary shall prescribe on July 1 of each fiscal year, and on January 1, of each fiscal year, semiannual adjustments in the national average rates for lunches served under section 4 of the National School Lunch Act and the special assistance factor for the lunches served under section 11 of the National School Lunch Act, and the national average rates for breakfasts served under section 4 of the Child Nutrition Act of 1966, as amended, that shall reflect changes in the cost of operating a school lunch and breakfast program under these Acts, as indicated by the change in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor: Provided, That the initial such adjustment shall reflect the change in the series for food away from home during the period September 1973, through November 1973: Provided further, That each subsequent adjustment shall reflect the changes in the series for food away from home for the most recent six-month period for which such data are available: Provided further, That such adjustments shall be computed to the nearest one-fourth cent. Notwithstanding the foregoing two sentences, (1) for the fiscal year beginning July 1, 1973, no

such adjustments shall be computed to the nearest one-fourth cent. Notwithstanding the foregoing two sentences, (1) for the fiscal year beginning July 1, 1973, no special-assistance factor under this section 11 shall, for any State, be less than the average reimbursement paid for each free lunch (in the case of the special assistance factor for free lunches), or for each reduced-price lunch (in the case of the special assistance factor for reduced-price lunches), in such State under this section in the fiscal year beginning July 1, 1972; and (2) adjustments required by the sentence immediately preceding this sentence shall be based on the special assistance factors for the fiscal year beginning July 1, 1973, as determined with regard to any increase required by the application of this sentence.

"(b) Except as provided in section 10 of the Child Nutrition Act of 1968, the special-assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in financing the cost of providing free and reduced-price lunches served to children pursuant to subsection 9(b) of this Act. The amount of such special-assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents.

"(c) Special-assistance payments to any State under this section shall be made as provided in the last sentence of section 7 of this Act."

(b) The proviso of section 10 of the National School Lunch Act is amended by inserting "and section 11" after section 4".

SCHOOL BREAKFAST PROGRAM

Sec. 4. (a) The first sentence of section 4(c) of the Child Nutrition Act of 1966 is amended to read as follows: "Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in financing the costs of operating a breakfast program and for the purpose of subsection (d)."

(b) The second sentence of section 4(c) of the Child Nutrition Act of 1966 is deleted.

(c) Section 4(b) of the Child Nutrition Act of 1966 is amended by adding the following sentences at the end of such section: "The national average payment established by the Secretary for all breakfasts served to eligible children shall not be less than 8 cents; an amount of not less than 15 cents shall be added for each reduced-price breakfast; and an amount of not less than 20 cents shall be added for each free breakfast. In cases of severe need, a payment of up to 45 cents may be made for each breakfast served to children qualifying for a free breakfast."

CASH IN LIEU OF COMMODITIES

Sec. 5. (a) Section 6 of the National School Lunch Act is amended by striking present subsections (b), (c) and (d) and by substituting in lieu thereof the following new subsections;

"(b) As of February 15 of each fiscal year, the Secretary shall make an estimate of the value of agricultural commodities and other foods that will be delivered during that fiscal year to States for school food service programs under the provisions of this section, section 416 of the Agricultural Act of 1949, and section 417 of the Agricultural Act of 1949."

the Act of August 24, 1935. If such estimated value is less than 90 per centum of the value of such deliveries initially programed for that fiscal year, the Secretary shall pay to State educational agencies, by not later than March 15 of that fiscal year, an amount of funds that is equal to the difference between the value of such deliveries initially programed for such fiscal year and the estimated value as of February 15 of such fiscal year of the commodities and other foods to be delivered in such fiscal year. The share of such funds to be paid to each State educational agency shall bear the same ratio to the total of such payment to all such agencies as the number of meals served under the provisions of section 4(a) of this Act and section 4(c) of the Child Nutrition Act of 1966 during the preceding fiscal year bears to the total of all such meals served in all the States during such fiscal year: Provided, That in any State in which the Secretary directly administers school food service programs in the nonprofit private schools of such State, the Secretary shall withhold from the funds to be paid to any such State under the provisions of this subsection an amount that bears the same ratio to the total of such payment as the number of meals served in nonprofit private schools under the provisions of section 9(a) of this Act and section 4(e) of the Child Nutrition Act of 1966 during that fiscal year bears to the total of such meals served in all the schools in such State in such fiscal year. Each State educational agency, and the Secretary in the case of nonprofit private schools in which he directly administers school food service programs, shall promptly and equitably disburse such funds to schools participating in the lunch and breakfast programs under this Act and the Child Nutrition Act of 1966 and such disbursements shall be used by such schools to obtain agricultural commodities and other foods shall be limited to the requirements for lunches and breakfasts for children as provided for in the regulations by the Department of Agriculture under title 7, subtitle (b), chapter II, subchapter (a), parts 210 and 220.

"(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) to make any payments to States authorized under such subsection. Any section 32 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935, to be available for the purposes of said section 32.

"(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 7 of this Act."

SPECIAL SUPPLEMENTAL FOOD PROGRAM EXTENSION

Sec. 6. (a) The first sentence of section 17(a) of the Child Nutrition Act of 1966 is amended by striking out "and June 30, 1974," and inserting in lieu thereof the following: "June 30, 1974, and June 30, 1975,"; and by inserting after the word "State" each place it occurs the following: "; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare". The second sentence of such section 17(a) is amended by striking out "two-year" and inserting in lieu thereof "three-year".

(b) Section 17(b) of such Act is amended by inserting immediately after the second sentence thereof the following: "In order to carry out such program during the fiscal year ending June 30, 1975, there is authorized to be appropriated the sum of \$40,000,000, or, if any amount has been appropriated for such program, the difference, if any, between the amount directly appropriated for such purpose and \$40,000,000, out of funds appropriated by section 32 of the Act of August 24, 1935 (7 U.S.C. 612(c))."

(c) The second sentence of section 17(e) of such Act is amended by striking out "October 1, 1973" and "March 30, 1974" and inserting in lieu thereof "October 1, 1974" and "March 30, 1975", respectively.

ELIGIBILITY FOR SPECIAL MILK PROGRAM

Sec. 7. Section 3 of the Child Nutrition Act of 1966 is amended by adding at the end thereof the following: "Any school or nonprofit child care institution shall receive the special milk program upon their request. Children that qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk."

NATIONAL ADVISORY COUNCIL

Sec. 8. Section 14 of the National School Lunch Act is amended as follows:

(1) In subsection (a) strike the word "thirteen" and insert the word "fifteen" and insert after the first time it appears the following: "one member shall be a supervisor of a school lunch program in a school system in an urban area (or the equivalent thereof), one member shall be a supervisor of a school lunch program in a school system in a rural area."

(2) The first sentence of subsection (b) is amended by striking out "nine" and inserting in lieu thereof "eleven", and by striking "such" and inserting "the nine".

(3) In subsection (e), strike the word "Seven" and insert in lieu thereof the word "Eight".

INCOME GUIDELINES FOR REDUCED PRICE LUNCHES

Sec. 9. Section 9(b) of the National School Lunch Act is amended by adding the following at the end of said subsection: "Provided further, That for the fiscal year ending June 30, 1974, State educational agencies are authorized to establish income guidelines for reduced-price lunches at not more than 75 per centum above the applicable family size income levels in the income poverty guidelines as prescribed by the Secretary."

COMPREHENSIVE STUDY OF BENEFITS OF PROGRAMS

Sec. 10. The Secretary of Agriculture is authorized and directed to carry out a comprehensive study to determine if the benefits of programs carried out under the National School Lunch Act and Child Nutrition Act are accruing to the maximum

extent possible to all of the nation's schoolchildren, including a study to determine if those most in need are receiving free lunches, and to determine if significant regional cost differentials exist in Alaska and other States so as to require additional reimbursement. The Secretary shall report his findings, together with any recommendations he may have with respect to additional legislation, to the Congress no later than June 30, 1974. The Secretary shall consider any recommendations made by the Department of Health, Education and Welfare, the General Accounting Office, the National Advisory Council on Child Nutrition, and interested professional organizations or individuals in the field of child care and nutrition. Alternatives to the present structure, including but not limited to the universal feeding program, shall be included in the study.

PAYMENTS TO LOCAL EDUCATIONAL AGENCIES UNDER PUBLIC LAW 874,
EIGHTY-FIRST CONGRESS

Sec. 11. Section 5(d)(2) of the Act of September 30, 1950 (Public Law 874, 81st Congress), shall not operate to deprive any local educational agency of payments under such Act during the fiscal year ending June 30, 1974, if such local educational agency is in a State which after June 30, 1972, has adopted a program of State aid for free public education which is designed to equalize expenditures for education among local educational agencies in that State. This section shall be effective on and after July 1, 1973, and shall be deemed to have been enacted June 30, 1973.



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